Interview with Michael B. Smith

The Association for Diplomatic Studies and Training Foreign Affairs Oral History Project

AMBASSADOR MICHAEL B. SMITH

Interviewed by: Charles Stuart Kennedy

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[Note: Ambassador Smith did not edit this transcript]

Q:Today is August 25, 1993. This is an interview with Ambassador Michael B. Smith. It is being done on behalf of the Association for Diplomatic Studies. I am Charles Stuart Kennedy. Ambassador Smith, could you give me a bit about your background, where and when you were born, and a little about your family and early education.

SMITH: I was born in 1936 in Marblehead, Massachusetts, a small sailing town north of Boston. My family had been in Marblehead since about 1640, so we're old Marbleheaders. I went to Marblehead Elementary and Junior High School—both public schools—and spent one year at Marblehead Senior High School. Then I went to a small prep school in Byfield, Massachusetts, called Governor Dunmore Academy. I graduated from the Academy in 1954 and went to Harvard University, graduating there in 1958.

Q: What were you concentrating on at Harvard?

SMITH: Scandinavian affairs, of all things.

Q: I was going to say, at least it was in the international field.

SMITH: I had been at Ethos [?] between my senior year at Governor Dunmore and my freshman year at Harvard and also between my freshman and sophomore years at Harvard. So I got interested in things foreign, if you will. Since I had been in Scandinavia twice, I decided to major in Scandinavian affairs. This was a big mistake, because in my junior year [at Harvard] they abolished the department. So I switched majors in my senior year and became an international government major, for what that's worth.

I took the Foreign Service exam in the summer of my junior year [at Harvard], up in the hot and steamy Post Office in Augusta, Maine. I was working at a camp. I didn't pass it—missed by a couple of points. I took the exam again in the fall or winter of my senior year, passed it, and reported for my orals at the Boston Customs House. I had my oral exam during a howling northeaster, during which the windows blew in. Nevertheless, I passed my orals.

I graduated from Harvard [in 1958]. On graduation day I received a letter from the Foreign Service, saying that, unfortunately, I could no longer be considered for the Foreign Service because, when I was a little boy, I had my spleen taken out, due to a blood condition. They said that, obviously, I wasn't alive or, if I was alive, I shouldn't be. My mother was a feisty Yankee and wasn't going to put up with that. So she wrote to Christian Herter, who at that time was Secretary of State.

Q: And also a former Governor of Massachusetts.

SMITH: And a friend of the family. She said, “Look, my son has been rejected by the Medical Division of the Department of State. He's played football at Harvard, was on the Harvard swimming and lacrosse team, and what's the matter with you people?”

So Herter wrote back and said, “Well, if you would have your son go to Harvard Medical School, have his blood tested, and get an independent opinion, we would consider him.” So, to make a long story short, I went to Harvard Medical School, they put me through

every blood test you ever saw, and they wrote one of the most scathing letters to the Department of State Medical Division that you could ever imagine. Remember old Dr. Devault?

Q: Yes, he was the head of the Medical Division at that time.

SMITH: To make a long story short, in October, 1958, I got a very contrite letter from the Foreign Service, saying that they'd be delighted to pay my way to Washington so that I could join the Foreign Service. What actually happened was that [in 1958] there was no budget provision for the induction of new Foreign Service Officers. I think that in the years 1957 and 1958, or 1958 and 1959 there was no money allocated for that. So a group of us were brought into the Foreign Service as FSRs [Foreign Service Reserve officers] and assigned to the Passport Office.

Q: Reserve officers. This was under Frances Knight?

SMITH: Frances Knight, “the Great White Mother.” A number of us served as passport adjudicators from December, 1958, until June, 1959, when a budget cycle began which allowed bringing in new Foreign Service Officers. But we had lost a year of seniority in the process. We were glad for any job we could get, at a starting salary of $4250, gross.

Q: Two questions before we move on. What attracted you to the Foreign Service, per se, as a career?

SMITH: I wanted to do something in government service. I thought that the Foreign Service, or something like that, would get me overseas. It also sounded romantic, and all that sort of stuff. I had also applied to enter the CIA [Central Intelligence Agency]. Actually, the Agency had come to me and asked if I would be interested in entering the CIA. I would have been perfectly happy to enter the CIA. I came down to Washington and had an interview at the old [Senate Beer] brewery.

Q: On 23rd St., or something like that.

SMITH: Right. They stamped your hand with a mark.

Q: I went through that, too.

SMITH: Actually, the CIA offered me a job. I was indifferent as to whether the job was in the Foreign Service or the CIA. I also looked at AID [Agency for International Development], and all of that. CIA had no problem with my medical condition. Only the Foreign Service did. By the way, the Selective Service people had no problem with it. [Laughter]. Only the Foreign Service.

So, as I say, we came down to Washington as FSRs, went to work in the Passport Office, at 1717 H St., N. W., at the time, working for Frances G. Knight.

Q: Could you describe the atmosphere at that place? This was a world unto itself.

SMITH: The Passport Office was unbelievable because this was either at the height or the end of the period when the Department was looking for communists under every rock.

Q: It was declining at that time. Senator McCarthy was dead by then.

SMITH: Yes, but there was still this scare. On the passport application there was a security check. Every applicant had to go through a security check. Applicants had to put down what countries they were going to visit. If they put down any of those “awful places” like Hungary, you had to circle it in red. That, presumably, went over to the State Department security types for vetting after the fact. We didn't hold up the passport, but the people concerned were probably going to have post-trip interviews. There were all of these old ladies, career types in the Passport Office who really were very, very conservative. They thought that all of these guys and gals who were traveling overseas probably were going to have some liaison with the communists.

But this was the period of clean cut people. All of the Foreign Service Officers had short hair, white shirts and suits, and all of that. They listened attentively to the security lectures. The security people sort of instilled the fear of God in us. President Eisenhower was at the height of his popularity at that time. It was, perhaps, an age of innocence. I don't know. I was kind of a country kid, a wharf rat, a rube, sent down to Washington, and here I was—in the big city. I stayed in a rooming house on 16th St. and River Rd., NW

Q: What did people in the Passport Office say about Frances Knight?

SMITH: They were afraid of her. She ran a very tight ship. Her husband's name, I think, was Wayne Parish, who wrote for Aviation Weekly or something like that. She invited all of us out to her house once. Her house was decorated in black and white. Furniture was either white or black. She was the inventor of the plastic Passport Office—orange sofas, green chairs, plastic flowers. She started to standardize the various passport offices around the country.

But she was a genius. She turned the Passport Office, which she inherited from Mrs. [”Ma”] Shipley...

Q: Who didn't really like people to go overseas.

SMITH: Yes. Frances Knight was not as conservative as some of the “old hands” [in the Passport Office] were.

I remember one old gal—Lucy Siddler. She was my boss. I was in Passports Adjudication or ADK [acronym for this office in the State Department]. All we did was to take passport applications and go through them, eight hours a day. Coffee breaks were very carefully circumscribed. Of course, we were a bunch of revolutionaries in that sense. We would play all sorts of jokes on these old types.

Frances ran a very taut ship. She took a mess [which she inherited from her predecessor] and turned it into a “profit making” institution. The Passport Office was one of the three offices in the United States Government that made money. In those days a passport cost $10—$5 for a renewal. She was regarded with some fear but also respect. She was very clever in handling Congressional relations. She had what was known as a “doctor's bag.” When a Congressman wanted to take a trip, she'd get out the black bag, and up we would go to the Congressman's office so that he would not have to be inconvenienced by having to appear in person and come downtown [in Washington, DC]. That was the PR [Public Relations] aspect of that. That was my first introduction to the care and feeding of Congressional types—Frances' “doctor's bag.”

Q: I guess she's still alive, but seriously ill, I think. Maybe she has died. I'm not sure.

SMITH: Is that so? The Passport Office had been a mess when she took over. Files were all over. We had pictures of “Ma” Shipley's files. Frances organized and automated the whole thing. She first tried to automate it with a “Friden” heat transfer machine. You would take the passport application and transfer it by heat onto the passport itself. She was innovative in trying to speed up the handling of the application. There was an explosion of travel under her. She—and the jet airplane—together had a great deal to do with Americans “bursting out” into foreign countries.

But that was a terrible experience. I was there in Washington for three months. We had to go through the passport and naturalization course so that when it came time for us to come back to Washington as FSO's, to go over to the FSI [Foreign Service Institute], we knew more about citizenship than the instructors did.

I can still remember September 22, 1922, and what that date meant.

Q: When women lost their citizenship by marrying a foreign national?

SMITH: Right. I'll tell you a story about that. It happened to me in the Foreign Service. In February, 1959, Frances Knight shipped a lot of these FSRs—us—out to Passport Field Offices, because they were expecting a spring and summer rush. I was first assigned to New York and then, when Frances Knight found out that I was going to get married, and my wife would be teaching in Massachusetts, Frances had that touch and sent me to the Passport Field Office in Boston.

These were much smaller, even tiny operations. In New York the office was at 555 Fifth Ave., in Rockefeller Center. The Boston Passport Office was a smaller operation.

There was a law, originally passed, I think, in 1907. Then, came the famous date of September 22, 1922. In Boston you have lots of Irish. One day, sitting at the counter was this lovely old Boston Irishwoman. She was as Boston Irish as you could find—like the “lace curtain Irish” in Brighton, MA, and all that. She came in and said that she was born in the United States, in Brighton. She happened to have married, let's say, Paddy O'Rourke, [who had been born in Ireland]. The head of the Boston Passport Agency, at the time, was named Flynn, a character in his own time. He was well known around Boston as Irish and Catholic. He had his lines out everywhere in Boston. The Passport Agency was right underneath the Naturalization Court in the old Court Building. This lady came in. I looked at her and said, “Would you please wait just a moment, Mrs. O'Rourke.” I went back to the Passport Agent and said, “Mr. Flynn, I have another one.” He said, “That's fine. Just take her upstairs.” So I took her upstairs [to the Naturalization Court]. There Judge Rozanski, or whoever was there. He went up to her and pinned an American flag in her lapel. She didn't know what was happening to her. He asked her to raise her right hand and asked her to take the oath of naturalization. Before she knew it, she was an American citizen again. She never realized that she'd lost her American citizenship. She'd never been outside the United States—had never been outside of Brighton. Because she had married Paddy O'Rourke from Ireland, she had lost her citizenship.

During the short three or four months that I was in the Boston Passport Office, I'll bet we did that 10 times.

Q: And she'd probably been voting for Mayor [James Michael] Curley.

SMITH: Yes. She was as American as you or I. Well, we got to know the citizenship laws of the United States pretty well. I suppose that, by now, most of those people [who lost American citizenship through marriage] are dead. This was some 30 years ago.

Then they amended the law in 1931 or 1933—I can't remember now—so that American women lost their citizenship only if they married Orientals. [Laughter]

Q: A different world.

SMITH: A different world. So all of us—22 or 23 of us—who had been brought in under this FSR program and then had been farmed out to the Passport Office were brought back to Washington in late June or early July, [1959], and sworn in as FSO's. We were just transferred from FSR-8 to FSO-8.

We started off in the FSI, which in those days was in Arlington Towers, I think they called it, for the orientation course.

Q: A-100 course, it was called.

SMITH: Mike somebody—I've forgotten his name—was the senior officer in charge. During the first week or so they sent us to Front Royal [VA]. I don't know whether they did this when you were there. The idea was that by drinking and sleeping together, we were “bonding” [as a group].

The husbands and wives all went down to Front Royal, which, of course, was “hush hush.”

Q: Yes, this was where we had the State Department Relocation Center for use in the event of nuclear attack—where the President and other senior officials were going to go.

SMITH: In those days you drove along the old highways. There was no Interstate 66. But it was a lovely drive in the countryside. I was so poor that I had a little Fiat 500. I paid $500 for it, brand new. So we went down to Front Royal for part of the orientation course, which, I think, lasted for two or maybe three months in those days.

Then we got our assignments and went to language school, depending on our assignments.

Q: Did you take the consular course? Was Alice Curran teaching it?

SMITH: Oh, yes.

Q: Could you give me a description of that, because I'd like to capture these things, as we go along.

SMITH: As I recall Alice Curran, she was sort of a statuesque blonde. She looked a little hard-bitten. We had known her because, when we had come in as FSRs and gone to the Passport Office, we had taken a course from Alice Curran. So she didn't scare most of us. There were some in our course, including Tom Pickering, who hadn't been in this FSR program. Bob Fritz had, as had Tom Boyatt. We had one woman in our class, Sarah somebody—can't remember her name. I've got her picture at home. She went off to Europe for her first assignment, then got married, and that was it.

Q: Well, I'm basically a professional consular officer. I felt that Alice Curran kind of poisoned the well for would-be consular officers, because she turned it into such a deadly dull, schoolmarmish thing.

SMITH: Be careful, or you'll get slapped around a little. We had some wiseacres in the class, and some of these guys were obviously very bright. They would think up the most complicated citizenship case to ask her about. Then we had one guy who was a flaming liberal for those days. His name was George McFarland. He was a member of the ACLU [American Civil Liberties Union], and most of the class wondered, “What kind of oddball is this?”

He would go on and on and take her to task about the denial of human rights—you know, what today would just be considered pro forma. She would get madder and madder. We were somewhat of a cantankerous class, but we knew this stuff cold. I can remember, when I first came to Washington, going through the passport course and spending hours and hours at night, memorizing the Immigration and Naturalization Act.

Q: The Act of 1953. We used to put it under our pillow at night.

SMITH: You know, dual nationals, and all that. Section 214 or something like that. I'm sure it would take me five minutes before it would come back. I think it was a 16 week course. We assembled in July and started our language work, which ended in September. I went to Tehran in February, 1960.

Q: Your assignment was to [the Embassy in] Tehran, where you served from 1960 to 1962.

SMITH: Right.

Q: How did you feel about that assignment at that time?

SMITH: Oh, it was fine. Some guys in my class got consular posts on the Mexican border—Tijuana and places like that or Montreal. I got Tehran and was terrifically excited about it. I didn't take Farsi—I took French. I was assigned to an FSO-General position. The

Embassy was supposed to rotate us around the office every six months in each of what I suppose are now called “cones.”

Q: Administrative, political, economic, and consular.

SMITH: I was assigned to administrative work at first, under one of the legends in the Foreign Service, Basil Cappella, known as “Cappy.”

This was very exciting. My former wife and I flew out there. You had your choice in those days. You could go first class in a propeller driven plane or coach class in a jet, because jets had just come in. You didn't have to fly on an American airline. We took an SAS [Scandinavian Airways System] propeller-driven plane, a DC-7 with a sleeper in it—a kind of Pullman berth—to Copenhagen. We took an SAS “Caravel” jet from Copenhagen to Frankfurt, Rome, Athens, Beirut, Baghdad, and then to Tehran. But first class. You'd go up and down in that airplane and we got first class meals—about six of them. Those were the days when you really went first class. We got to Tehran at 4:00 AM.

We were met by Marion Elliott, Assistant Personnel Officer, and a legend in her time. We went to the Embassy apartments, where they had an apartment for us. My wife was just barely pregnant at that time. Of course, within 48 hours we both came down with a case of “Delhi belly.”

I was assigned to the Administrative Section and stayed there for two years and three months.

Q: So much for “rotation.” What was the situation in Tehran and in Iran more generally? We're talking about 1960, when you got there.

SMITH: Right. Tehran was the focal point of our Middle East policy. We massively backed the Shah. The Embassy was the fifth largest Foreign Service post in the world. We had 44 U. S. Government agencies represented in the Mission and 5,500 official Americans

assigned there [including dependents]. We had agencies ranging from the Department of State to the Bureau of Public Roads. I know all of this because I was the “E&E” officer.

Q: That was the...

SMITH: Emergency & Evacuations Officer.

Q: So you had to keep the Emergency and Evacuation Plan up to date...

SMITH: On how in hell we were going to get these 5,500 official Americans out. We had an American School which was gigantic, plus major U.S. companies, like Morrison-Knudsen. We were building big dams. We had a huge aid program. Iran was overrun by Americans. You may remember, this was about four and one-half years after Prime Minister Mossadegh had overthrown the Shah and, in turn, was overthrown himself. We backed the Shah massively.

Since I was in the Administrative Section, I only picked this information up by osmosis. I never got out of Tehran in the two and one-quarter years that I was there.

Q: You were trapped.

SMITH: I was trapped. I was an administrative person, and my job was staff assistant to the Administrative Counselor. I ran the Commissary, was secretary to the Commissary Board, secretary to the [American] School Board, E&E Officer—you name it. I got my share of cleaning out toilets, and was Acting GSO [General Services Officer]. For a time, I ran the Motor Pool. There was an FSO assigned to Tehran as Motor Pool Officer.

Q: In running the Commissary, did you have a problem of corruption?

SMITH: Oh, did we ever!

Q: I speak as somebody who ran a commissary myself.

SMITH: Oh, we had these 5,500 official Americans. We had our own Commissary, which was in the Embassy compound—a huge area. A famous compound in later years. It was known as “Henderson High,” by the way, after Ambassador Loy Henderson, who was not an admired figure, but it was really his wife who was at fault.

Q: She was one of the “dragon ladies” of the Foreign Service.

SMITH: Is she still alive?

Q: No, she's not. The best-known “dragon ladies” were Mrs. [Douglas MacArthur [II], Mrs. [Henry] Tasca, and a few others.

SMITH: Anyway, “Henderson High” looked like a high school. It really looked like an American high school of the 1930's.

I reached Tehran on February 4 [1960]. Cappy Cappella was having a Commissary crisis. We worked at the Embassy in Tehran, Monday through Thursday, took Friday off, worked Saturday, and took Sunday off. I went to the office on Saturday. I'll never forget that as long as I live. I walked into the office at 4:00 PM, when I was told to be there. Cappy ran out of his office and upstairs to the Ambassador's office. A Marine Guard had just accidentally discharged his pistol while cleaning it and shot an Iranian. That was my introduction to Cappy. Cappy was a short guy, has a vicious temper, but was regarded as one of the administrative geniuses of the Foreign Service. He knew every short cut there was.

To get back to the Commissary, we were in the process of building a new Commissary. We had it in an old building. In 1960 we were running a $6 million a year operation. We had a German national as the Commissary Manager. We had Commissary Board meetings every month. Under the Foreign Service Regulations the Commissaries are chartered in such and such a way. We had bonds, and all that sort of stuff. Well, it turned out that this German Commissary Manager, Klaus whatever his name was, pocketed

about $300,000. Obviously, we had to fire him. We called in the bond, but the corruption was endemic. The groceries came in to Bandar-e Bushehr or Port Sanaa on the Persian Gulf and had to go 3,000 kilometers by rail to get to Tehran. Well, you can imagine what the pilferage was. Ever since then I have never bought a can of “White Rose” brand anything, because that was the brand we were mostly using.

To show you how undistinguished a Foreign Service Officer's life can be, this Commissary which we were building was going to be a refrigerated Commissary. So we were going to have all these dairy boxes, [display] cases, and coolers. You know, no Iranian had ever seen one. So we hit on the idea of going to Germany and hiring an American who knew about those things and flying him down. It became my job to feed, entertain, and otherwise occupy him. There is just so much you can say to a guy who installs dairy cases. He was there for a month. I was also down there, sweating, with the pipes, and so forth...

Q: This is what a Foreign Service Officer does.

SMITH: So we hired an American Commissary Manager. It turned out that he was just as bad as the German. We fired him after he had absconded with funds. So I became temporary Commissary Manager for about three months. In those days a $6 million operation was pretty big. Of course, we were trying to satisfy 44 agencies, all of their wives and children, and so forth. Inevitably, we'd be “fat” in one product and “zero” in another. The crucial things were evaporated milk, because of the babies—we had to have evaporated milk. We had to have diapers. We could do away with almost anything else, but diapers and evaporated milk were absolutely essential.

Anyway, the Commissary was built. It was really a showpiece, a case of the tail wagging the dog. When I left Tehran, the Commissary was turning a profit. Now, that wasn't because of me. It was because they had put in a new Board, with Cappy there and a really good accounting system. I learned a lot about retail stores and how to market products. Of course, we were required by federal law and all these federal regulations not to make a

big profit. You had to cover expenses, pay off loans, and things like that. But there were no shareholders. It was a fun time.

Q: Well, the responsibility, of course, is probably the greatest that you had...

SMITH: That I ever had in the Foreign Service. Let's see. In 1960 I was 24 years old. Here I was, running this big operation. I had another responsibility, maintaining the entire E&E Plan, which involved all of our officers. Well, the Administrative Section, in a way, had the major responsibility. But I had more fun and learned more about a complex Mission. You know, the U. S. Agencies were spread all over the town. In those days we had E&E funds. Do you remember that? I remember to this day how much money we had.

Q: Did this include gold coins?

SMITH: Gold coins.

Q: Oh, yes, "Napoleons" [French gold coins from the time of Napoleon III], wasn't it?

SMITH: We had Napoleons, sovereigns [British gold coins], and gold eagles [U. S. gold coins].

Q: Part of the time you were there I was in Dhahran [Saudi Arabia]. I remember having to count these coins...

SMITH: Counting them and putting them in little brown bags, sealing them up, and putting the seals on, up in the Code Room. I can remember to this day how much money we had. We had $88,401 in sovereigns, gold coins. We had about $250,000 in "green" [U. S. paper money]. It was all bound up in wrappers. You were supposed to count it. That was the law. These were big, rectangular bundles of dollar bills, bound with wire strapping. Well, heavens, you aren't going to take those things off every month. So we just said, "Well, it looks the same to us," and put it back in the bag. [Laughter]

We had this big ceremony every month. I finally said, “We don't have to make this so serious. Let's bring some champagne and we'll have a little party.” So we would dutifully count all of the sovereigns, break the seals on all of the packages, open the bags, count all the coins, put them back in the bag, and put the seals back on. Then we had to send in a report by OM [Operations Memorandum] and by telegram, that we had made the count. I often wondered if anyone ever lost any E&E money. What would have happened? Would they have gone to [the federal prison at] Ft. Leavenworth?

Q: It used to scare me. I would just think of that stuff and say to myself, “Oh, God.”

SMITH: I often wondered what happened to all of that E&E money, when the Iranians took over the Embassy [in 1979]. By the time I was in a more senior job in the Service, assigned to the Consulate [General] in Strasbourg, they'd done away with the E&E program money. So I don't know whether our Embassy [in Tehran] had any money like that [when it was taken over by fundamentalist Muslims].

Q: They may have had money like that in some of our smaller posts. I mean the posts where the money “spoke” or might have made a difference.

SMITH: After careful, arduous discussion of the E&E Plan our first recommendation was, “Don't.” That is, don't evacuate, as there was no way to do it. We felt that we couldn't get 5,500 people out of Tehran. Well, that wasn't acceptable, obviously. People back in Washington said, “You've got to get them out.” We said, “Well, what do we do? We're 2,000 miles this way and 2,000 miles that way. No gas. How the hell are we going to get them out?”

I had two great Ambassadors during my tour in Tehran. The first one was Tom Wailes, who was considered one of the founders of the post-World War II Foreign Service. The second one was Julius Holmes. So, I'm sure, they looked at this eager young officer who came up and said, “Hey, there's no way that we can evacuate these people.” The CIA

contingent at the Embassy, of course, had its own E&E Plan. They wouldn't talk about it with me. The CIA Chief of Station in the Embassy was Colonel Yatsevitch. He had a posture like a ramrod. It was such a farce. The CIA people worked in the Embassy as FSRs. You'd go into their office—if you could ever get in—and all of their secretaries—different from our secretaries in the regular Embassy—had these very conspicuous paper bags marked, “Burn,” sitting on the top of their desks. They all associated with each other, had their own warehouses, and all of that. Well, of course, they were doing a lot of things up on the northern border of Iran [with the Soviet Union].

I was in Tehran when the U-2 crashed [near Sverdlovsk in 1960].

Q: This aircraft was flown by Gary Powers and caused a crisis between the Soviet Union and the United States.

SMITH: All hell broke loose. Anyway, it was a great experience to serve in the Embassy in Tehran. We had a major league baseball field behind the Embassy—it was that big.

One of the things that I was in charge of was the Iranian-American Fair. The ambassadors and their wives were big on this kind of stuff. The USIS [United States Information Service] had this institution called the Iran-America Society, and everyone was supposed to—i.e., was virtually forced to—do their share. I was in charge of all the arcades and amusements. The Iranian-American Fair, held outside of Tehran. There were thousands of Iranians there. About 120,000 people attended. It was the major fund-raiser. We had worked for months, building dartboards, bean bag boards, and all of that. Of course, the Iranians were not the most orderly people. The fair always took place on one of those hot, dusty days. I remember that at the end of the day at one of these events my voice was completely gone, but we had made a lot of money. We made something like $70-80,000—maybe more than that. But that was something I did as a junior officer. I was the most junior officer in the Embassy.

Q: It's an interesting thing that your real responsibility is often at the junior officer level. A couple of things. One was, what was your impression—obviously, you were off to one side—of the two ambassadors you served under in Tehran? How did they operate?

SMITH: They were great men—very kindly. Their office was on the second floor. If you ever had to go to the Ambassador's office, you were just in deep trouble. Ambassador Tom Wailes was sort of a grandfatherly type of guy. I think that his wife was named Cornelia. Ambassador Julius Holmes' wife was named Henrietta. They were both sort of stately women who did traditional things. They would say, “The wives will be at the...”

Q: With gloves...

SMITH: You're damned right. I loved it, and the women loved it. There was no bitching about it. There was a discipline which is sorely lacking now. If the Ambassador was holding a reception, we showed up 15 minutes before and were briefed by the Ambassador's wife. Cornelia Wailes would say, “I don't want to see the two of you [i.e., my wife and myself] talking to each other at this party.” As you recall, your efficiency report referred to the conduct of your wife. There was a rating on the wives. Ambassador Wailes was a very kind man, a beloved figure. He was gentlemanly. I never knew what was going on. He chaired the Country Team meetings [attended by Agency heads or their representatives in the Mission]. I never sat in on one of those meetings. I saw Ambassador Wailes only in passing.

The DCM [Deputy Chief of Mission], in my view, was one of the most unpopular figures who was ever in the Foreign Service.

Q: Who was he?

SMITH: Stuart W. Rockwell. His wife was named Rosalyn.

Q: He was a very dignified gentleman, I believe.

SMITH: Yes. He was a consummate, English-type diplomat, but just as mean as could be. He looked down at everybody. He was a boy wonder, a “wunderkind.” But he came a cropper in Tehran and after that his career sort of went downhill. I really don't know why, but I heard lots of stories. I've nothing personally against Stuart. He and I have since talked about various things. But he was so dignified and so aloof, compared to the average FSO. He just wasn't friendly. People didn't like him.

People liked Ambassador Wailes. Ambassador Holmes was a thin, short guy. He had formerly been a brigadier general and head of the World's Fair [in New York]. He got caught up in some sort of quasi-scandal involving freighters and stuff like that after World War II. He was a great guy. I remember that when my father died in the U. S.—I was in Tehran—Ambassador Holmes sent me the most beautiful letter of condolence. He said, “It's better that you can't go back. I've been through this myself and know what it's like. If you need to talk to me, please come and talk to me. My heart's with you.” It was a hand-written note. Here I was, 8,000 miles from home. My Dad died, I was an FSO-8, and how the hell could I go back for the funeral? In those days we didn't have compassionate leave [for family emergencies of this kind].

Both Ambassador Wailes and Ambassador Holmes ran very tight ships. We were inspected once. I never saw the portion of the report dealing with any other area than the Administrative Section, but apparently both Ambassadors got top marks. In those days an inspection meant something. Now they're not worth a tinker's dam. Formerly, the Inspection Corps was not used as a place for “parking” people [while awaiting another assignment].

Anyway, [the American Mission in] Tehran was like a big American city. My reaction to Tehran was that I really never knew that I was overseas. Part of that was a function of my job, since I never left the Embassy. I never dealt with anyone, other than Americans. I didn't deal with Iranians, except in the sense that they were building the Commissary or something like that. But I had no official contact with the Iranians, with the exception of one

story, which I'll tell. I went from cocktail party to cocktail party—lots of parties, all the time. We had a “badji” [servant] who took care of our child. Our baby was born on the same day that the Shah's son was born, at the Ivory Hospital. We would go out but tended to see only Americans, although we knew some foreign diplomats. We largely stayed in our own section. We tried to break out of that and met with the Economic Counselor and were successful in that. A lot of the staff never broke away. It was like a big family, a very big, American family, sitting out in the middle of nowhere.

Sundays were great. We'd go down to the bazaar. There was no feeling that you were going to get mugged, or anything like that or concern that you were going to be “ripped off” [robbed]. Things might be stolen from you, but you weren't going to be mugged.

I remember Christmases there. It was cold, yet the Iranians were obviously catering to the foreigners. They had all sorts of Christmas trees for sale. We bought our rugs down at the bazaar. I liked Tehran. In hindsight it was a dictatorship and all of that, but we were not worried about that. That was for the Ambassador and others to worry about. We were concerned about servicing the other Americans.

The only contact I ever had with Iranians was actually with the Shah and the Empress. In 1961 Louis Marx, of Marx Toys, had been sent out as sort of an Ambassador to promote the New York World's Fair of 1964-65. When he came to Tehran, the Ambassador took him to see the Shah to urge the Shah to build a pavilion at the fair. At the time Marx Toys owned Lionel model trains. As a gift, Marx brought this incredible Lionel train set. I didn't know anything about it.

I think that, at that time, Jim Magnus was the Administrative Officer. Jim was told, “Please come up to the Ambassador's office.” The next thing I knew, I was also asked to come up to the Ambassador's office. So up I went. The Ambassador looked at me and said, “You have a new project.”

Q: You were saying that the Ambassador said that you had a new project?

SMITH: He said, “The Court Chamberlain just called and said that the Shah has this beautiful train set, and he'd like it to be set up.” Down in the Crown Prince's Palace. There were three palaces: the “Papa Shah” Palace, the “Mama Shah” Palace, and the “Baby Shah” Palace. So I had that to do. “Yes, sir,” I said.

I went down to the “Baby Shah” Palace, with security people all over the place. We saw this massive collection of boxes of Lionel trains. You remember, they used to come in orange boxes. Those were the big ones. This setup was “HO” gauge, I think. To make a long story short, two people from the Code Room, the chief of the Communications Section, a guy named Chalmers Pittman, and I spent three months down at the “Baby Shah” Palace. This was the biggest train set you ever saw. It went around the “Baby Shah's” nursery, which was 10 times the size of this room. It even had a fairly large tree.

Q: You're showing me a tree whose branches are a yard in diameter...

SMITH: Going right up to the ceiling and out to the open air. We built a platform like these bookshelves, around three sides of the room.

Q: About 2 # feet high, eh?

SMITH: We made paper-mache villages and all of that kind of stuff. I think that there were something like 20 engines in the box. I couldn't do the electrical wiring. It took the three other guys from our Communications Section to wire the whole thing up. Anyway, we'd go down there every afternoon. It took us three months. We became familiar with and “old pals” of the security guards. We would go into the “Baby Shah's” nursery.

Finally, when we were all done, the “Mama Shah,” Queen Farah Diba, decided to have a little tea for us men. She was going to have an afternoon tea, to which the Ambassador, the Ambassador's wife, and I can't remember whether, by that time, it was

still Ambassador Wailes or Ambassador Holmes. We had almost, if you will, a ribbon cutting for this incredible train set. The Shah came in, they took us in to see the “Baby Shah,” where, I guess, they dressed him and fed him, and had a big bassinet, with a crown at the top. It was just like a Cinderella fairy tale. It turned out that the “Baby Shah's” Palace was about half a mile from my house. Of course, now he's 33 years old and lives in McLean, VA. [Laughter]

I've never asked him—I don't know him—whether he played with the train set. And God knows what happened to it. That was the only time I saw the Shah. The Shah's sister, Princess Ashraf, (she was known informally as “Princess Ashcan.”), attended the Iranian-American Fair. She was a bitch on wheels.

Q: Was she a twin sister of the Shah?

SMITH: Yes. She was the sort of woman who wore fur coats in the summertime. They would turn up the air conditioning. She would make her imperial presence known.

When you went to court—a formal “levee,” so to speak—on the Shah's birthday or Iranian Independence Day, or whatever, the Ambassador always rotated the officers who went. I went once. You had to get white tie and tails. I'd never worn white tie and tails before—nor since. Of course, you borrowed them from somebody else. I had pants that were too short, the coat was too long, and all that. That's the only time that I met the Shah. He was a little, short guy. They never allowed him and Empress Farah Diba to be photographed at the same level, because she was taller than he.

Q: I wasn't aware of that.

SMITH: He was always sort of put on a pedestal of some kind. I remember that you had to go up to the Shah and shake hands. Then you had to back off. I always thought that that was wrong for Americans to do, but you couldn't turn your back to the Shah.

Well, I didn't do very much at the Embassy, but it was fun. I went from the fifth largest [American] Embassy in the world, with 5,500 official Americans, to say nothing of the 20,000 non-official Americans, to my next post in Chad [Central Africa].

Q: I was going to say that you were in Chad from 1962 to 1964. What a contrast!

SMITH: What a contrast!

Q: How did you feel about this assignment to Chad?

SMITH: I volunteered for it. I was turned down the first time I applied, in 1961, because they said that our daughter was too young. Remember, the Department had opened up all these posts in Africa, and then went out and asked for volunteers.

Q: This was just at the time when Africa was opening up.

SMITH: Right. So they asked for volunteers, and I figured that this was how you could get your priority points. Also, I wanted to get the hardship assignments out of the way before schooling for my children became a problem.

The second time [I applied for Chad], they remembered me and sent me off to [the Embassy in] Fort Lamy. We knew what we were getting into, in a way. Actually, it was not as bad as we had thought. It was not a place where you'd spend your vacation, but it was a fascinating assignment. To this day it is still the most fascinating assignment I ever had.

Q: Could you first give us a sketch of what the situation was like? We're talking of the period from 1962 to 1964. Where was Chad and what was going on?

SMITH: Chad wasn't doing anything. Chad sits in the middle of Africa, slightly above the armpit [of Africa], which Douala, in Cameroon, was affectionately known as. Chad was

totally isolated and landlocked. Fort Lamy was about 2,000 miles from the nearest ocean. I guess Lagos or Port Harcourt [Nigeria] were the nearest ports.

Chad is about twice the size of Texas. The northern half is dry, arid, and Arabic. The southern half is sort of a savanna. The people there are either Christian or animist. The Arab population in the North is not black but swarthy. The people of the South are black and tribal. Fort Lamy was the biggest town, with a population of about 88,000. Then there were places like Fort Archambault and Moundou, and other places whose names I can't remember—totally under the control of the French.

The French ran the country. They sat behind the phones, so to speak. Everybody felt that with this “rushed” independence we had to establish embassies in each of these godforsaken holes. This was a huge mistake, in my vied. Not because the people didn't deserve independence, but we couldn't do anything [for them]. We spread our resources all over the place. We should have been involved in multilateral cooperation from the start, rather than having our own aid program, and our own this and that. But that's another story.

We arrived there in September, 1962, right in the middle of the rainy season—hot and humid. The airport looked like something out of a Sydney Greenstreet movie of the 1930's. Whitewashed buildings, red mud all over the place.

We had a two-year-old daughter by that time. We stayed at the Ambassador's residence for a week. The Ambassador was John C. (”Arch”) Calhoun, a bachelor. That showed in other ways, and morale was not the best as a result. It was a mistake to send a bachelor to a post where we were sending married people with kids. A bachelor doesn't quite understand some of the anxieties. Then we moved into our own house.

What was it like? It was exciting. Here we were in the middle of nowhere. By comparison with Tehran, this was really the Foreign Service. Or it may have been the Foreign Legion! [Laughter] We were not quite sure what the hell we were doing, in a sense. The French

ran the place. We were trying to insert our way into it and give the Chadians a couple of alternatives or options. I'm not sure the Chadians understood that they didn't have to be quite so dominated by the French. We were naive, and particularly the Ambassador. He'd write back to Washington and send these PRIORITY or IMMEDIATE cables about some godforsaken mayor who was ousted in some godforsaken city or town. The only person who would give a dam was the guy on the desk [in the Department].

When I subsequently went back to Washington and worked in the Operations Center [of the Department], I found out how low the priority of Chad was.

So the Ambassador was a big fish in a small pond. He had to “buy American,” so he had to have an American car. The only car that would work was a Checker Cab. The Ambassador's limousine was a Checker Cab, because it could use parts interchangeably —Ford, Chrysler, or General Motors. Our office was in an old store, which we had leased. It was a supermarket with arcades and things like that. It was the most inefficient building that I ever saw.

We had a gem of an Administrative Officer named Walt Silver.

Q: He took my place in Naples as Consul General.

SMITH: What a character! Fred Chapin had actually opened the post as charg# d'affaires. He was the son of a Foreign Service Officer. Fred's dead, I guess. I wasn't there when Fred was there, but I came in September, 1962. It was a gasser. To get to my office, you had to go up, outside the building, and through a side door. It was the office for the consular officer, the economic officer, and the labor officer. The assistant communications officer, the assistant administrative officer—you name it. I did all the drudge work of a non-administrative sort, initially. I've got a hundred stories about Chad. I loved it.

We had some difficulties. Our daughter got African spinal meningitis. By that time we also had a son, who was born in the States and brought out to Chad. He got a bad case of

dysentery, so they were both med evacuated, and I was there for about eight months by myself. Despite that, I look back on Chad with great fondness.

Q: All right, there were all these things you were doing. But what were we doing in Chad?

SMITH: Beats the hell out of me.

Q: How did we work with the Chadians?

SMITH: With difficulty. For example, we had an AID officer, Joe Ciudano, or something like that. Of course, he had to have his own secretary and his own house, and stuff like that. So out of the $1.0 million AID budget, $600,000 was spent on feeding and caring for Joe. The one project I remember was one called “Date Palm Suckers.” It took two years to get a “Date Palm Sucker” program going. The forms that had to be filled out! That's when I saw how totally futile USAID was. I've been turned off on AID ever since—and that was in 1963. It was the most incredible, boondoggle bureaucracy I ever saw in my life. Joe was a nice guy, but My God! The infrastructure this one AID officer carried. He had to have a secretary. Then, because the Mission got so big, we had to bring in a doctor and a nurse. So we really had tails wagging the dogs.

We never had more than three, substantive officers in that Mission—the Ambassador, the DCM, and myself.

Q: Who was the DCM most of the time that you were there?

SMITH: Robert J. Reddington. A tragic case!

Q: What happened?

SMITH: Bob Reddington was born with a silver spoon in his mouth. He was a Foreign Service Officer who never really wanted to leave Europe—or Canada, which had been his previous post. All of a sudden he was assigned as DCM. His wife was a real social

climber. DCM to Chad! Lois was her name. They came from very well to do, Connecticut families. They never adjusted [to Chad]. She was beside herself when she arrived in Chad. They had two little boys and had to use the Calvert School to teach them. You know, this was not like sending them to Loomis or Choate or wherever they came from.

Bob was a very, very serious guy. He was an FSO-4 in those days, or an FSO-3 pushing to be an FSO-2. You knew that he was never going to get there. A nice guy, very intelligent, but he somehow didn't click. He had no sense of humor—none whatsoever. He was a worrywart and was sort of a “sissy,” in a way. He was almost as blind as a bat. As a matter of fact, he is blind, now. He is blind and diabetic, and one of the kids is in a mental institution. It was very sad. The whole thing was sad! We loved them, and they were very kind to us. But this was a tragic situation. This was an assignment which should never have happened.

Q: You know, as I do these interviews, I find, again and again, particularly in the early years, we were taking European specialists and tossing them into these places as Ambassador or DCM. They weren't full of vigor, ready to get out and do something new. This was a reward, and it didn't work.

SMITH: It was a huge mistake. Lois Reddington was unhappy from the day she arrived in Chad. She wanted this and she wanted that, and she wasn't going to get this, and she wasn't going to get that. In fact, she thought that, as the DCM's wife, she should get it. Because the Ambassador was a bachelor, she was sort of the official hostess. And Ambassador Calhoun and Reddington didn't get along very well. As I say, Arch Calhoun wasn't sensitive to the demands and needs of families. It was wrong to send him there. Never send a bachelor out as an Ambassador. I am firmly convinced of that.

Q: You can survive as a bachelor in a large community...

SMITH: But not at a post like Chad. It was a huge mistake, in that sense. I told Randy Kidder that when he came to inspect the post. Kidder is a great guy. And the Reddington's

were just fish out of water. They were too old and they had kids 9 and 11 or 8 and 10. There they were, sitting in that godforsaken place. Mrs. Reddington wasn't a teacher but had to teach her own children. My former wife tells me that one of the Reddington children has really gone haywire. I wonder if it is a result of the assignment to Chad. I've always wondered if it dates back to that time. The Reddington's are divorced, and Bob is totally dependent on outside care. I think that the breakup of that family came from that assignment to Chad. I think that the Service was wrong in assigning him there.

Q: I don't think that the Service paid much attention to those things.

SMITH: It did. It considered that it was his duty.

Q: But equally, this is an assignment where you should send someone like Mike Smith to be DCM.

SMITH: Sure. Who would have cared? I could have goofed up enormously. But I would have learned a lot.

President Kennedy was assassinated in 1963 when we were there. That was a moving experience for us and the most significant thing that happened during our tour there. Kennedy was a hero in Black Africa. By that time our Ambassador was Brewster Morris, who was married. His wife, Ellen, was a Christian Scientist. Sending a Christian Scientist to a place where there are tremendous health problems! What was the Foreign Service thinking of?

Q: I don't think that they thought at all.

SMITH: They were both Christian Scientists, but she held Christian Science services in the morning. And [Embassy people] were almost expected to come. What the hell were they thinking about? She didn't know anything [about medicine]. Brewster at one time got sick, terribly sick. I became the damned pharmacist's mate and took care of him. We didn't have

a doctor at that time to take care of him, because she didn't know what to do and didn't want to do it.

Ambassador Morris had decided the week [before Kennedy's assassination] that he was going to go out into the boondocks and wave the flag, in the most godforsaken part of all of Africa, in all of Chad. [Place name indistinct].

I was sitting at home on a Thursday or Friday night, our time—I don't know which it was. The German [military] attach# called me and said, “Have you heard the news? President Kennedy's been shot and wounded in Dallas.” Well, the Israelis were at my house. We turned on our radios and finally found out that President Kennedy was dead. Well, Reddington didn't know what to do. He was beside himself. He said: “What the hell do I do? What am I going to do?” So I sort of took over the situation. I got hold of the French Ambassador. The French sent out an airplane to find Ambassador Morris. Meanwhile, I knew from reading the “Foreign Service Manual” which, in those days, I had plenty of time to do, that there was a section on what to do when a President dies.

So, at 5:00 AM on the next day I went down to the bazaar and bought black crepe, because you have to “encrepe” the flag, so to speak. So we had black crepe draped over the flag. Then you were supposed to have the official stationery of the Embassy bordered in black. There were no printing presses in Chad. So, how to do that? Well, labor was cheap. So we got bottles of ink and got people with rulers to make black borders around each piece of paper. I asked the Mission in Paris to send us some paper with black borders.

This situation was so moving, in a country which was so unbelievably primitive, but with such nice people, with no mean streaks in them at that time. The Arab-animist debate or “fight” was not going on, although there was some tension. President Tombalbaye and the Catholics in the country wondered how they could commemorate Kennedy. So, on the following Wednesday they celebrated an outdoor Mass. It was in the evening, and, of

course, the entire diplomatic colony and all of the distinguished Chadians came. The Mass was in French. Reddington and I were up in the front, because Ambassador Morris was still out in the boondocks. He decided not to come back to attend. The President had died, and Ambassador Morris was out there in the boondocks! At the end of the Mass a little choir of 10 little Chadian boys, led by an old French abbot, who had hair like yours, sang accompanied by an old, hand pump organ. This was outdoors. They sang, “Auld Lang Syne,” in English. There wasn't a dry eye in the community. I'll never forget it as long as I live!

But, responding to your original question, what were we doing in Chad? We never knew. Most of us, except the Ambassador, thought this was folly. Reddington didn't like blacks. He was uncomfortable just being there. There were blacks on our staff. The USIS guy, John Russell, was a black. His replacement was a black. One of our code clerks was a black. They all said, “What the hell are we doing here? What are we trying to do? We don't have any money—or at most peanuts. We can't, by any means, counter the French.” Nine-tenths of the staff didn't speak French. Reddington and I were the only ones who spoke French—had been trained in French. Orville Silva was bilingual. He spoke French, Italian, Spanish, and so forth. Ambassador Brewster Morris came down to Chad from Berlin. He and Ambassador Calhoun switched places. They were old friends. Morris didn't speak a word of French. What the hell did they come to Chad for?

Q: To get the title of Ambassador.

SMITH: Mind you, I liked Brewster Morris. He was kind, but this was ludicrous. He was a German specialist, an expert on Berlin and “Checkpoint Charlie.” What the hell was he doing in Chad?

SMITH: It was a reward. We were using these posts as rewards. You got your ambassadorship, now take it and retire.

SMITH: Right. That's what happened. He took it and retired. Ambassador Calhoun went to Berlin, and I don't know what happened to him afterwards.

Q: I've talked to other people like Art Tienken and others. They said that at a certain point one would almost call up the government, if you had to get something done, and say, "Let me speak to the light," usually meaning the Frenchman who was behind the throne. How did you deal with that?

SMITH: We never did that. We had no problem. We never had a problem of getting access to the highest levels of the Chadian Government. I can tell you a story about the Cuban Missile Crisis.

Q: Go ahead. This was in October, 1962.

SMITH: 1962. Let's see. We didn't have an ambassador at that time. Maybe he had gone somewhere or this was the period between ambassadors. Reddington was charg# d'affaires. I was code clerk. The regular code clerk was on R&R [Rest and Recreation leave]. There was a knock on the door at my house. There was a Chadian from the Telegraph Office with a telegram. It was marked: "FLASH NIACT." I looked at it. It was a really long, encrypted cable. So I went to the code room and painfully, on one of those U. S. Navy machines left over from 1942, I tried to type out this damned message.

The message first talked about all this crap about the embargo, the blockade [around Cuba]. The Soviets were trying to get around the blockade by flying from the Soviet Union to Sudan to Guinea, and across [the South Atlantic Ocean] to Cuba. The key was to block overflight rights to Cuba. Moses Lippy was on our side. So, block overflight rights from Sudan to Guinea. They had to pass over Chad, given the range of the aircraft. That was the problem. The solution? Go speak to Tombalbaye.

Q: Who was the President [of Chad].

SMITH: The telegram continued along the line of: “We don't care what you are doing, but do this now. Signed, The President.” The problem was that the message was about 5,000 groups long. I was up all night. I called Reddington around 3:00 or 4:00 AM. I said that we had this message and that he had to come down to the Embassy immediately. He came down.

He said, “Well, the only thing to do is to call Tombalbaye's chief of staff.” So we called him and told them to wake him up at one of his shack-up places with one of his analyst women. We said, “We've got to see the President right away. This is an urgent message from President Kennedy. It's a matter of survival of the planet.” So, groggily, he agreed, and they woke up the President.

Around 5:00 AM we were over at President Tombalbaye's residence, telling him the situation. We have to block the Soviets from going to Cuba. You're the key to this. You must immediately give the necessary instructions. Tombalbaye said: “I understand this. Will you tell my friend, President Kennedy” (whom he had never met), “that I will do as he requests.” And he did issue instructions to block the overflights. As we were turning to leave, he turned to Reddington and said, “By the way, Mr. Reddington, where is Cuba?” He had issued instructions to block the overflights and didn't have the foggiest idea of where Cuba was!

We reported that back to Washington. Three months later we received a message, “Aircraft Number so-and-so coming in for a presentation to President Tombalbaye. Arrange landing rights.” In came the airplane and off came these generals from the Air Force, [with someone] carrying this great, big box. We were asked to arrange a meeting with President Tombalbaye. We arranged the meeting with President Tombalbaye. He opened up this great big box, and what was inside but the National Geographic “Atlas of the World,” with all of those maps. President Kennedy had noticed, and they gave the atlas to President Tombalbaye, so that he would know where Cuba was.

Q: How wonderful!

SMITH: We had a lot of incidents like that. Chad had the second largest game reserve in Africa, the Zalkuma National Park. The Zalkuma is was the second largest, after the Serengeti National Park [in Tanzania]. A great place. We traveled all over it. I just loved Chad, but we never knew what we were doing there. We couldn't compete with the French. The French had more people in the Information Service in their Embassy than we did in the entire Mission. And we had the second largest Mission there.

The British were smart. They accredited one ambassador to three or four countries in Africa. The Israelis had a Mission there. It was interesting to see how the Israelis were trying to stem Islam, or Arabism from coming down into Black Africa.

Q: What did you think of their efforts?

SMITH: They were very effective. They went right to the core, to the youth of the country. They organized the young people and properly inculcated them. The Israelis were very successful as long as President Tombalbaye was there. Then there was sort of a pro-Arab takeover, and the Israelis left the country. It was interesting. American missionaries had been there since 1922—in the South of the country. Talk about stories of heroism. Forget what they were doing. How these missionaries survived boggles the mind. They had the only medical school, the only medical hospital at a time when the French were not doing anything. These American missionaries were down there, caring for the weak.

If you want to see ideologies clash, you could see it in this sense. It was religious ideologies. You could see what the Judeo-Christian tradition was up against—in Chad, of all places. The proselytizers for Islam would come down from Sudan and parts Northeast of there. What did they do with these heathens? They would say, “If you would pray just five times a day, toward Mecca, we promise you beautiful women, beautiful oases, beautiful food,” and all of that. They converted these people by the thousands.

The Christian missionaries—and even the Israelis, but particularly the Christians—were trying to tell these people how they were going to have to save their souls and taught the doctrine of salvation. You know, educated people don't accept this. Here they were trying to speak to people who had no education. Let's see. We were there in 1962. In 40 years they had made 40,000 converts, or 1,000 a year. Not too bad, except that the Muslims were converting them by the thousands, every day! You could see what was going to happen. The Arab influence was going to take over the animists.

Q: What was your evaluation of President Tombalbaye?

SMITH: He was a good man. Here he was, thrust into the office of the President. He looked like a President and carried himself like a President. He was probably corrupt, but certainly no more than any other tribal leader would have been. He was not dumb. You could see his tribal origins. He had scars on his face. He seemed to be kindly enough, from the contacts we had with him. But national leaders didn't mean anything to most Chadians. Most Chadians lived away from Fort Lamy. There were 3.5 million Chadians, and only 88,000 of them lived in Fort Lamy. There were nomads and other groups. Tombalbaye's tribe won. He came from Southern Chad, from around Fort Archambault. I'm sure that he'd been involved in the usual infighting and all that sort of thing. I'm sure this infighting was brutal.

Well, we were trying to apply Western standards. That's a big mistake. All of these African countries were mistakes. The boundaries were decided in the 1880's between the British and the French over some green covered table. The borders were as artificial as could be. We knew it and just didn't have the courage to say so. The reality was that a lot of these African countries were never—and by “never,” I mean within the foreseeable future—going to “make it” economically. My own view was that what we were doing was raising expectations which could not be fulfilled, over the short term. That was a mistake.

Now, someone may say, “You mean that you should leave them in their Eden-like situation and not worry about their health and so forth?” I know you shouldn't, but, on the other hand, in Chad, which, as I said, is twice the size of Texas, the only natural resource which they had was “Natron,” a low-grade salt. They mined it from the Chari River. The French tried to introduce the cultivation of cotton. They grew cotton—but at three times the world price. So cotton production was totally subsidized.

What was sad about it was that the “donor” nations didn't all get together until late in the game. They didn't say that we've got to get together on projects which cut across borders, and so forth, if these people are going to have any “economic future” the way we view an economic future. I can tell you that 90 percent of the Chadians couldn't have cared less. They had no connection with this. They didn't even know what independence was.

Q: Well, in trying to capture the spirit of the time, this was the time when the Bureau of African Affairs, under Governor “Soapy” Williams, had great enthusiasm. I was in INR [Bureau of Intelligence Research] at about this time, working on African affairs. I recall the view that the future lay in Africa.

SMITH: Yes. Soapy came out...

Q: Taking a sort of cynical view...

SMITH: I was a moderate optimist, too. I thought that it would be exciting to be in a new place, which was just starting. However, very quickly after I arrived [in Chad], I recognized that there were real problems. Our enthusiasm was vastly overdone. We had nowhere near the resources to do what Soapy wanted to do. We went out and raised the expectations of one leader after another. We were going to come in with “Jillions” of bucks and all that. Of course, we never did. We ran our programs on a shoestring. Did you ever hear of an airline called “WACSC” Airline?

Q: No.

SMITH: The State Department had an airline. “West African Consolidated Services Corporation”—”WACSC,” or “Wackass” Airline. That was an airline that operated out of Lagos [Nigeria], using a bunch of beat-up World War II DC-3s and [Curtiss-Wright Aircraft] C-46s, transporting our food, cars, and other things into all of these posts in the Sahelian area—Niger and all of that.

We were devoting a tremendous amount of resources essentially for “presents,” showing the flag, but nothing beyond that. We had “Leader Grant” programs. There weren't any leaders. But, by God, we were instructed to send four of them to the U. S., and we'd send four. If there were leaders, they had been totally indoctrinated in the French system. They'd gone to Paris and then were sent back. But there weren't very many people like Senghor [of Senegal in Africa].

Well, even the [American] Blacks, like Jim Todd and his wife, Cynthia, were initially enthusiastic about Chad, but they soured. John Rosseloli, a USIS guy, tried to put a good face on it, but even he soured. I think that the problem was that we weren't matching muscle with motive. Our motives may have been there, but we didn't provide any resources. And G. Mennen Williams would send out these endless airgrams, exhorting us to do more about the situation. With what—photographs of the Statue of Liberty? So this was why I became cynical, feeling that this was a mistake. We were spending enormous amounts of money on supporting the Americans [in these various countries]. We'd go through air conditioners by the dozens, to give you an example. We couldn't repair them. So we'd bring in 60 air conditioners—window units. When they broke down, we just replaced them with new ones. We needed the air conditioners. We had little babies and so forth, and it was very hot. The temperature was 125 degrees!

As a matter of fact, when our son was brought back from the States, we made a little shanty at the back of the house, out of mud, to put the air conditioner in. But then we'd

throw away the air conditioner, which lasted for three or four months. What I'm trying to say is that the administrative support side was wagging the dog. The tail was much bigger than the dog.

What we were doing politically was zero, in terms of the impact on the world, let alone Africa. We didn't need any political officers there. If we needed anything, we needed a “lean and mean” AID Mission, if you wanted to do that. We could have done it all, looking at this situation in hindsight, by having a multilateral AID organization. A really good one, not one made up of Indians and Pakistanis who were trying to get a free ride in life. A sincere program, using the aquifers and the natural water system of the Chadian Basin, turning Chad into the agricultural bread basket of the rest of Africa. We could have done that, but the situation was all tied up in ideology, independence, freedom from colonialism, and all that. I wouldn't go so far as to say that breaking away from colonialism was a mistake. It was close to that, but that wasn't an option.

Q: At that point it was going to happen.

SMITH: It was going to happen, and you know, it was the “Kennedy thing,” a bright beginning, and all that. I found the assignment to Chad fascinating. I was glad to leave but I was gladder that I'd been there. The assignment had almost cost our daughter's life. But it was an adventure.

I can remember the Christmas tree. We had to get Christmas trees. How in hell are you going to get Christmas trees? Fly them in from France. They were very, very expensive, and we didn't have that much money. I can remember this Christmas tree that we had ordered. It was about three feet high. Here it came down in December. It was hot as hell. So we carefully brought this Christmas tree home. We made a little stand with a coffee can and filled it up with water. We got it all decorated, and our little daughter was running around the Christmas tree. One day every damned pine needle fell off. All we had was a kind of “Charlie Brown” Christmas tree. Our daughter was crying. My wife and I were so

damned mad that we picked up every pine needle and put them down at the bottom of the tree. We said, “They're not going to get away with this.” That was Christmas in Chad, with a Christmas tree.

Of course, it was an adventure. I went down and saw the missionaries. I took the editors of “National Geographic” out to Waza and Rebouba and places like that, where no Americans had really been. It was like a safari, but what the hell did it have to do with my government? Was this in the national interest of the United States? I could never determine that. I think that...

Q: Looking at your subsequent career, I am struck that the African bug didn't bite you and that you didn't become an Africanist.

SMITH: No way. I did this to get a hardship assignment out of the way. In those days you were told that you were going to have to take one hardship post out of the first three assignments. I thought that I would take mine now while the children were still small. I didn't have any idea where I wanted to go. I knew that I didn't want to go to Scandinavia. I learned that the first day that I came into the Foreign Service. That was wasteland. I didn't know where I wanted to go. I wasn't that interested in the Middle East. I thought I might try Africa. I certainly wasn't interested in Latin America. That was also considered to be a place where “clientitis” prevailed.

Q: I don't want to put words in your mouth, but when I was in the Foreign Service, if you went to Latin America, it was a “black hole,” and you never got out. And it was sort of second rate.

SMITH: That's right. That's why “Henry the K” [Secretary of State Kissinger] came up with this “GLOP” [Global Perspectives] program.

Anyhow, the experience in Chad was good. I came back with an appreciation of how bad our bureaucracy could be. I mean, spending about 60 percent of the AID program budget

on supporting the Americans there. Ludicrous! And then to have an AID inspector come out to see about “Date Palm Suckers!” I was there...

Q: What are “Date Palm Suckers”? A small date tree?

SMITH: I guess. I can remember when they arrived in plastic bags. [Laughter]. I never saw what happened to them. I was in Chad from September, 1962, to December, 1964. I never once saw these “Date Palm Suckers” do anything. I don't know where they went. The AID program upset me, as well as the question of why we were there. It seemed to me that the Israelis, who had one guy, had a far more effective program in the service of their national interest than our enormous program. The French were very effective, but they were there for four year tours. They expected that.

Q: Longer is better than shorter because, otherwise, it is just a recitation of your career. So you stayed on there...

SMITH: My family had been evacuated in May, 1964. Our daughter had come down with meningitis. They sent her home to Peter Bent Brigham Hospital in Boston and fixed up the meningitis. They had found the cure for meningitis. They took her tonsils out. Our son had a very bad case of dysentery. The Embassy doctor recommended that they leave. So they went out, and, like many Foreign Service people, I was there, packing up our household effects myself, while doing my job. Anyway, that's the Foreign Service.

I was assigned after that to the Operations Center in Washington, which is a fascinating job.

Q: Yesterday I was interviewing [Ambassador] William C. Harrop. He was saying that the Ops Center was considered a real “plum”in those days. This was a very exciting time. Later it became much more of a machine, but this was a place where you really felt you were at the center of things.

SMITH: Absolutely. Lew Hoffacker was one of the directors. Phil Axelrod was another. Doug Koster was a third. Fred Irwin was a fourth. I had a wonderful time in the Ops Center.

Q: You were there from 1964 to...

SMITH: I was there from January, 1965, till September, 1965. I loved the job. I was there during the Dominican crisis, all of the Vietnam stuff like Operation “Rolling Thunder,” “Yankee Station,” and all of that. I just absolutely loved that job.

Q: Can you explain what the Operations Center was at this time and what you were doing?

SMITH: There were two parts of the Operations Center. One was charged with making up the Daily Summary for the Secretary of State and the principal officers of the Department. That included a precis of the, say, 20 most important cables that had come into the Department during the previous night. These telegrams were called “SCAT's”—direct copies that came on-line from the Communications Room, right up to the Operations Center, which was on the Seventh Floor.

Q: Did they use pneumatic tubes?

SMITH: No, these telegrams came up by teletype. We also had pneumatic tubes if we needed to send them elsewhere, because you could use these pneumatic tubes to send material quickly all over the building.

So we prepared the Daily Summary. There was an editor, normally an FSO-4, and two junior officers, FSO-6's or 7's [in the structure in use at that time] on the editorial side. They were in one group.

Then there was a Senior Watch Officer and a Junior Watch Officer, usually an FSO-3 and an FSO-6 or 7, respectively, at the two “consoles” [or desks]. Then there was a Map

Room, where the Military Adviser was. We had Colonel Day, who looked like a Gen Curtis LeMay—big cigars, etc. There was a panel of buttons you could push to connect any telephone in the building at the Assistant Secretary level. You could press the White House switch, contact Capitol Hill, and all that stuff. When an IMMEDIATE cable came in, the Watch Officer was responsible for making an immediate decision on who should be notified in the State Department, if anybody. This could have involved anybody from the Secretary of State down to an Assistant Secretary or Deputy Assistant Secretary, or DAS. If the message concerned a “Welfare and Whereabouts” matter, the Bureau of Consular Affairs had its own duty officer. All of the Bureaus of the Department had their own duty officers, so you were always calling duty officers.

The Operations Center was also the place where reports came in from Vietnam about how many aircraft had been shot down. Every morning at 3:00 AM either the Senior or the Junior Watch Officer had to call the White House and ask to speak to the President to tell him how many airplanes had been shot down.

Q: That was one of the awful things that happened. He [President Johnson] got too involved...

SMITH: The Operations Center worked 24 hours a day, seven days a week. We had shifts. We worked for two eight-hour shifts and were off for one eight-hour shift between the two other, eight-hour shifts. Then you worked a couple of shifts every other day and then got three and one-half days off. And you got paid overtime—10 percent overtime! Having three and one-half days off in the middle of the week was great, because I could go to Hechinger's and all of those places...

Q: Hechinger's is a big hardware store [in the Washington area].

SMITH: Which you couldn't do during the weekend, with all of those masses of people there. So I did a lot of projects at home and got to see a lot of my children.

The Operations Center was a great assignment. I was very enthusiastic and thought that I did a good job there. I had the particular ability of not falling asleep. I could stay awake for 30 hours straight. That came from my sailing days. Secondly, I wasn't afraid to call people and wasn't afraid to ask the Senior Watch Officers, either. So after about four months I was put in charge of the Operations Center [as a Junior Watch Officer]. I loved pushing all the buttons and the feeling of command. Maybe this came to me from Tehran days—I don't know. The Senior Watch Officer would say, “I'm going to take a snooze.” We had a full bedroom in the Center. He'd say, “Call me if any emergency develops.” I loved the work and the power of command. The Operations Center and working on the Seventh Floor of the Department was a “plum” in those days. We knew that we were going to get whatever assignment we wanted afterwards.

In September, 1965, the Senior Assistant to Tom Mann, who at that time was Under Secretary of State for Economic Affairs, asked me if I'd come over and work in his office as a junior Staff Assistant. I agreed and spent a year at that, until June or July, 1966.

Q: What was your impression of how Secretary of State Rusk used the Operations Center?

SMITH: He used it very well. Ben Read was the head of the Executive Secretariat, and Ed Streator was one of Rusk's staff aides. Lew Hoffacker was in and out. Of course, the Director of the Operations Center was part of the Executive Secretariat, one of the four principal officers. We had a system. IMMEDIATE telegrams always went down to George Ball, who was Rusk's deputy at that time; Tom Mann; U. Alexis Johnson, [Deputy Under Secretary for Political Affairs]; Averell Harriman, [Ambassador at Large]; and Secretary Rusk.

Q: That was a very strong team.

SMITH: Yes. Secretary Rusk used the Operations Center very carefully. We had these big ticker tape machines which had all the AP [Associated Press], UPI [United Press International], FBIS [Foreign Broadcast Information System], and all of that kind of material. Rusk would come in—sometimes once a day—and look at what was going on. He brought the President [Lyndon Johnson] over to see it. I can remember that. I was Junior Watch Officer at the time. I never got over the fact of how physically big Dean Rusk was and how physically big Lyndon Johnson was. These guys had big shoulders.

Q: Well, Dean Rusk was a football player, at Center College or something like that.

SMITH: In Georgia—on a team that beat Harvard, I think. He was a big man! I thought that Rusk used the Operations Center very, very well. I knew that he had come to the Operations Center because Ed Streator was something of a pompous ass. He would call out, “The Secretary wants this” or “Where's that?” We then assumed that the Secretary was in the office.

Q: Well, Ben Read...

SMITH: Was a very classy guy. He made that place function so that you never erred on the side of stimulus. If you thought that something should go up to Ben Read, who would get it to the Secretary, you never erred by being doubtful. When in doubt, send it up. And he'd make the determination. Now, if he felt that we were not using good judgment, he would let us know. But I always felt that the Operations Center was appreciated. It was clear that the junior officers [in the Department] were jealous as hell of us. That was really fun. You could call up an Assistant Secretary and say, “This is the Watch Officer in the Operations Center. We think you should come in [to the Department].” It would be 2:00 AM. [Laughter]. There were some that you really liked to stick it to.

When you called downstairs and said, “This is the Operations Center. Would you please come and pick up a message?”—it was done.

I don't say that we abused our position, but we were given first crack at everything. Of course, we saw everything [that came into the Department]. It was a good place to watch ball games, because there were many, many nights when nothing happened. It operated 24 hours a day. In those days we could smoke, and everybody smoked.

We had the first Xerox machine. You had to crank out the Secretary's “Daily Summary” on it. Remember that old Xerox machine that produced one copy at a time? It would come down the slide in the front of the machine.

Q: Like something out of the [Charlie Chaplin] movie, “Modern Times.”

SMITH: By the time I left, eight or ten months later, we had machines which were much bigger and were producing [a number of] copies. Of course, the product had to be letter perfect, with no mistakes on it. I think that some of the product went over to the President. I was an editor, a job that I really hated. But the system was that you did one shift as an editor and two tours on the desk.

Mike Hoyt, who had just come back from Stanleyville [ex Belgian Congo, now Zaire]...

Q: He'd been captured by the “Simbas.”

SMITH: Eating the flies and all that. Well, he was on my team. He was my editor. There was a wonderful Foreign Service Officer named Doug Koster. He's now dead. He was my Senior Watch Officer. A great guy—the kindest man I'd ever met in my life. Phil Axelrod was not much, but Lew Hoffacker was a nice guy. I guess he later had problems and went “bonkers” in Cape Verde or somewhere like that [actually, Equatorial Guinea].

Q: He killed someone, or something like that. It was a horrible case.

SMITH: He had been Deputy Director of the Operations Center before he went there. The Operations Center was a terrific assignment. I don't know what it is like now.

Q: I'm sure that it's grown too big. Going back to President Johnson and making these telephone calls about these planes [that had been lost in Vietnam]. Did he just pick up the phone and grunt?

SMITH: Right.

Q: This is a horrible thing. Someone with his responsibilities.

SMITH: To have his sleep interrupted.

Q: Right. It's sort of like the Chinese torture. I can't think of anything worse.

SMITH: Every night, [we'd call up and say], “Mr. President, the results are in from today's bombing raids. 20 sorties, two planes down. Pilot recovered from one. Search is going on for the other.” He'd say, “Thank you, Mr. Koster, or thank you, Mr. Smith.”

Q: One shudders to think of this burden. Maybe this would be a good time to cut it off, because I'd like to talk a bit about when you were with Tom Mann and so forth.

SMITH: Mann was a great guy. He taught me one thing about the Foreign Service. He said, “If the pendulum is going this way, go the other way.” He was a very interesting guy. He was a career Foreign Service Officer.

Q: Let's talk about it. He was very much involved in Latin American affairs.

SMITH: He had been Ambassador to Mexico and had attracted the attention of both Presidents Kennedy and Johnson. After President Kennedy's death, the Department brought Mann back to Washington as Assistant Secretary for ARA [American Republic Affairs]. Then—he and President Johnson were fellow Texans—he was made Under Secretary for Economic Affairs—”E,” as most of us referred to it—or was it “M”?

Q: It would be “E.”

SMITH: No, the abbreviation wasn't the same. Anyway, he was Under Secretary for Economic Affairs. He was a short guy—wore bow ties a lot, and was a “Latino.” He knew everybody in Latin America. He was a “hawk.”

Q: You're talking about the Vietnam War.

SMITH: No. I'm talking about the Dominican Republic [crisis in 1965]. He was a “hawk” in general. He felt that the United States had to be firm in standing for what it meant in front of all of these banana republics. He believed in human rights but he was “strong” about what he felt. He was also a consummate user of the telephone. He was like President Johnson in that sense. He used the telephone all the time. Very seldom did Tom Mann ever leave “foot prints.”

Q: He was not a “memo” man.

SMITH: No, not a “memo” man. During the Dominican Republic crisis, he was the one who recommended to the President that we invade the Dominican Republic.

Q: Where were you at that time?

SMITH: I was in the Operations Center that day, a Saturday morning. We got this “CRITIC” message—”FLASH CRITIC” message from the man who went to NATO as Ambassador subsequently—I can't remember [his name].

Q: We can fill this in.

SMITH: He said, in this “CRITIC” message, “I'm down underneath my desk. There are bullet holes that have gone through my chair. The situation is out of control.” I know, his name was Bennett [Ambassador W. Tapley Bennett].

So we called the Dominican desk officer—Shlaudeman was the desk officer. The venerable Harry Shlaudeman. That Saturday afternoon all hell broke loose. There were

“CRITIC” messages all over the place. [Secretary of Defense] Robert McNamara was over there [at the Operations Center] with [Secretary of State] Dean Rusk. We had this other room at the Operations Center where you could put messages up on a screen and could communicate directly with the post, typing messages back and forth, in a secure way. The telephones didn't work that way, and the only KY-9's we had were with [the Mission in] Vietnam, anyway.

So we were assigned to servicing them with coffee, taking notes, running messages, and all that sort of thing. Of course, they brought in everybody. They assembled—what did they call it—a “Crisis Team?” What did they call them?

Q: Task Force.

SMITH: They didn't call them task forces then. They called them something else. By mid-afternoon the Operations Center was overloaded with people. Mann was in charge of all of this. Everybody was looking to Mann, wondering, “What should we do?” And Mann said, “My view is that we should go in.” I don't remember when we went in—the next day or when.

I remember the names of all of these guys: “Wesseney Wesson” was one guy. “Bosch” was another.

Q: These were leaders of the Dominican Republic whose names were well known at one time. Some were good guys and some were bad guys.

SMITH: Right. Mann had a special assistant by the name of Bob Adams, who's dead now. I don't know whether Bob was a CIA guy or not, but there was something shadowy about him. He was sort of the strategist of Dominican policy, which is very controversial, as you recall.

Q: Oh, yes, and still is.

SMITH: And Mann never fully recovered from that crisis. He was nominated by President Johnson to be Career Ambassador, along with Douglas MacArthur II and one or two others. And [Senator J. William] Fulbright, [chairman of the Senate Foreign Relations Committee], hated Mann and hated President Johnson. He held those nominations up in the Foreign Relations Committee. Finally, Mann called President Johnson and said, “Look, Career Ambassadorships for MacArthur and the other guy are being held up because I'm with them. Please take my name [off the list].” It was a great thing to do. You know, Career Ambassadorships are worth 21-gun salutes and all of that. I've never forgiven Senator Fulbright for that. I thought that Fulbright was an ass, anyway, except for the Fulbright Program, which is one of the greatest programs in public diplomacy that we've ever had. We need another Fulbright Program.

Q: But Fulbright was very vindictive. This comes through again and again. One of the great complaints today is about Senator Jesse Helms. But Fulbright started this whole business [of holding up nominations].

SMITH: And Fulbright was much more insidious. Everybody “loved” him. The “New York Times” loved him. He was a liberal with the fangs out. He was as vindictive as Jesse Helms. Jesse doesn't hide it. This guy hid it. I think he was a hypocrite. I can't stand Fulbright, except that I will say—in case my wife is listening—that the single biggest diplomatic “coup” I ever saw was the U. S. Fulbright Program.

When you look at the leadership of the world, former Fulbright people are all over the place.

Q: Sure.

SMITH: That was what a real aid program could have been. We should have educated the world in the United States. We'd have been in a much better situation. That's just a side comment. Anyway, Mann gave up his nomination to be Career Ambassador. He was a

gentleman. He had two lovely secretaries. He'd come in in the morning. My job was to get there early, read cables, and do what a “gopher” does. Even though I was on the Seventh Floor, it was nice to be a gopher, in any case.

I was usually in the office by 6:45 or 7:00 AM to read the cables. Mann would be in by 7:15 AM. He had a hat, a “How do you do” hat. He always wore it on the back of his head, like a reporter. He'd come into my office, pull out a chair, and put up his feet and say, “What's going on, Mike? What happened last night?” He'd pull out a cigarette and have a cup of coffee. So there I would be for a half-hour with the fourth most powerful man in the Department—every morning. I've had some terrific assignments.

Then Mann would talk about careers and what I was doing, what I should be looking for. He said, “Let me tell you something, we political types (not meaning me, but him), we people in the political cone, we are a dying breed. Don't get into the political cone. Go into economics.” He said, “If the Department doesn't move that way, that's too bad. The Department will be overtaken.” Which happened, and what the second part of my career showed, and which we can talk about next time.

Q: Mann was telling you to get away from the political cone. The political specialty was always considered to be the way to go.

SMITH: He was a very smart guy. He would say, “Look, at the end of the day the political officers aren't going to have a job.” He said, “The future is going to be about which country or countries are well off economically.” He said, “The Department of State is abysmal in economics.” That's why I went to the second economics course. Mann was instrumental in pushing for the establishment of the economics training course. He said, “We are going to have our lunch eaten by every other agency in this government.”

Q: He was not himself an economist.

SMITH: He was not an economist himself but he knew enough about economics and he had bright people to advise him about economics. Tom Enders was one of his advisers.

He had the whole Bureau of Economic Affairs [”EB”], with Phil Trezise and all of those people. So it wasn't that there wasn't any advice coming up to him. What Mann was saying was that, if you're assigned to the Economic Bureau, it's like being assigned to the Consular Bureau. You're lucky to get a promotion every 10 years. And the annual Promotion List showed this every year, which is another story. I'll tell you about it some other time.

For example, in 1966 there was a tin crisis, involving Bolivia and a couple of other countries. I can remember this woman, Marion Worthing, who was the “tin lady.” She was a civil servant, working on tin in the bowels of the Department of State. Whenever there was a crisis, she was the only expert that we had. The Foreign Service would have “died” without somebody like that. But she was never promoted. The Service is awful about things like that.

Mann said that I ought to go into economics training, so I signed up for it. I couldn't go to the first class, because I'd just come into his office four months before. The first economics course started in January, 1966. I took the second economics course, which started in July, 1966, which was, to this day, the most trying assignment I ever had in my life. We worked like dogs.

Q: I remember that course. Well, let's pick it up next time at that point. Very good. Thank you.

Q: This is September 30, 1993. Looking back at that economics course, I thought that it was sort of an experiment. You were advised to apply for it. It was obviously a hard course, but how useful was it as seen in retrospect?

SMITH: It was zero—almost. It wasn't the fault of the course. If you teach economics, you teach economics. What we did—or what I did, in the economic area—had little relevance to the course. It certainly made me familiar with economic terms, and so it wasn't as mystifying as if it were some kind of abstract physics or something like that. However, since you only got a smattering of economics, to me it wasn't all of that useful. I'm sure that others used it as a building block. They expanded their studies and continued on. But I didn't. I went from the economics course to the Consulate General in Strasbourg [France], where I was responsible for labor affairs; visitors, meaning exchange visitors; and economic affairs, whatever that meant in a Consulate General in Alsace. Did it have meaning? I'm glad I took it. Don't get me wrong. It put me in the economics cone.

Q: Did it give you credentials, a stamp, which is often where it leads within the Service?

SMITH: No. Well, I don't know if it did or it didn't. I never, in my subsequent existence, said that I was a trained economist. Well, I wasn't. I didn't hold a degree in economics. One thing, perhaps, which I could have gotten more use out of, was in the dullest part of the whole course—national accounts, which I didn't understand at all. I did miserably in that part. I failed the course, as I recall. I didn't pass the test.

Q: "National Accounts" means what?

SMITH: The term "National Accounts" means how a country's national accounts are put together. So if you lie about it, at the end of the day, that would be [evident]...We had an awful teacher. She was just god-awful. Some of the other students just "aced" the test. It was right down their line. They got 100%. Other guys got 50%.

Q: You see what I mean? Was there something almost innate or something in them?

SMITH: After we took the course, we took the graduate record exam. One guy in the course broke Princeton's "seismograph" on it. First of all, he answered every question and

he answered every question right. This had never been done before. [Laughter]. I was not one of those.

Q: Then you went to Stuttgart, where you...

SMITH: No. I went to Strasbourg.

Q: You were there from 1967 to 1968.

SMITH: I got there in January, 1967, and left between Christmas [1968] and New Year's of 1969.

Q: So you were really there about...

SMITH: Two years.

Q: Strasbourg is sort of an odd town because, unlike many others, it doesn't have a city government. From what I gather it's really more like looking at Europe as a whole.

SMITH: The reason that we had a Consulate General there in Strasbourg was, first, because the Council of Europe, at that time, was there. It still is, but actually it's being shelved in favor of Brussels, even though the French have built a magnificent center for it. So that was one of the justifications. Secondly, this sounds macabre in a way, but [we have a Consulate General there] because of all of the military cemeteries that we had there—from Lorraine all the way down to Belfort and that area there. There was a very large number of retired veterans of World War II there. We had a very big...

Q: World War I, too?

SMITH: World War I, too. Thirdly, it was on the border [between France and Germany]. During the strike of 1968 this turned out to be very useful.

Q: This is the French strike...

SMITH: The events of May, 1968.

Q: The student revolt and all that?

SMITH: We were the only post in France still open, because Strasbourg is right on the Rhine River. Germany wasn't on strike, so all the diplomatic pouches and so on were rerouted to come through us. I mean, the rest of France was closed down. The Consulate General was a listening post, a four-man post.

Q: Who was Consul General when you were there?

SMITH: John Hay, a bitter man.

Q: Tell me a little about him—about working with a bitter man.

SMITH: Well, he was a bright man. He came from Michigan and was a nice person who had had a terrible time. He had lost his wife, and I think that that was the problem. He sort of felt on the periphery of things. He didn't speak French very well. He was a career Foreign Service Office but didn't speak French very well. He loved Strasbourg but he was very opinionated. This was his last post in the Foreign Service. In those days they used posts like that as “pasture posts.” He was very good to me. He sort of turned the Consulate General over to me. He thought that I was educated and all that sort of stuff, and I'd come from the White House and all that, so he liked that.

Secondly, I was enthusiastic and tried to help him out a lot. He couldn't have been nicer to us. He had a violent temper. He was a tough guy for many people to work for, though he wasn't for me. You had to learn to roll with the punches, and that sort of thing. He felt that he was not where he should be [in the Service], in the sense that he deserved better. Not

that he didn't like Strasbourg. He loved Strasbourg. But he saw that it was the end of his career. He also had a drinking problem. He served on. I did not stay to see him leave.

What happened to me was that Sargent Shriver was Ambassador to France at that time. Sarge was going to make changes in the Consulates [in France] and was going to assign “young people” as Consuls General and use these positions as “testing places.” So I got a call from Bill Buell, the Supervisory Consul General in Paris three days before Christmas of 1968. He said that the Ambassador had decided that he was going to change the makeup of the Consulates. He was no longer going to go along with the idea that these would be used for FSO's on their last assignment. They were going to be for FSO-4's, under the old system.

Q: This is about the equivalent of a major [in the Army].

SMITH: Yes. And young FSO's would go out to the Consulates and either make it or break it in running a Consulate. I was the first one to be assigned. I was transferred from Strasbourg to Lyon, which was the “pasture post” of “pasture posts.” I was to put that Consulate back on the map and I was to be there by New Year's [1969]. The reason I say this is that John Hay was on home leave at that time. So I never got a chance to say goodbye to him [before leaving, though I saw him subsequently]. Because of the legal requirement—seals and all of that—they had to bring someone down from Paris to whom I could transfer the property of the United States Government so that I could go to Lyon. I did that on December 31, 1968.

Q: Going back to Strasbourg, let's look at the political situation within your consular district.

SMITH: It was very conservative. This was the place which “rallied” to De Gaulle first of all during the 1968 crisis in France. Alsace-Lorraine is very French...

Q: Really?

SMITH: It is very French in the sense of “La Patrie” and allegiance to France, very German in its sense of order, and very clever, in that when they don't want the French or the Germans to understand what's going on, they speak in Alsatian. It's a proud area. It's interesting, for example, because Alsace and Lorraine had been taken from France following the Franco-Prussian War [of 1871]. In 1906 or 1907 the French “secularized” all of the schools [of the Catholic Church] in France. Since Alsace-Lorraine was not part of France at that time, the religious schools there were not secularized. So when France got Alsace-Lorraine back after World War I, the Catholic schools there continued to get the subsidies they had prior to 1870 and continued to do so until the time I was there. So my children went to Catholic schools in Strasbourg for the total sum of $15 a month, all subsidized by the French Government.

Q: What areas were you particularly concerned with?

SMITH: I was assigned as an economic officer. That's what the Department wanted me to do, as I had just come out of this economics course. They wanted to boost the economic presence of the Department of State. So I was assigned to Strasbourg as an economics officer, following developments affecting U. S. investment. There was a lot of U. S. investment going in there: E. I. Lilley, General Motors, and Caterpillar, so that Alsace looked like a perfect place to invest in Europe. American businesses were in France, so they could always get French protection. But they were close enough to Germany so that they had the German “work ethic.” And they would be on the Rhine River, which provided the cheapest transportation in the world.

I was there as an economics officer, following what they thought, at the time, would be a burgeoning corner of Europe for economic development. That has not turned out to be the case, for a variety of other reasons, but in any event I was not the only one coming out of the economics course to be assigned to one of the Consulates. But that was what I was supposed to be doing. Also, don't forget, we didn't have much else that we could do. It was the height of the Vietnam War. As a political entity we were not particularly favored, even

in conservative Alsace, although there were certainly more supporters for our position in Strasbourg or Lyon than there were a year later.

Q: How did you find working with American firms there? Did they care about you?

SMITH: We had a wonderful relationship.

Q: What could you do for them?

SMITH: By and large they could take care of themselves. General Motors didn't need me. On the other hand, when they had a problem that needed a quick solution, they'd call us and say, “Look, we have a bit of a problem with the Prefet [Head of a French Department] or the Prefecture in getting a permit to do something or other.” It was no problem. I'd just call the Prefet or his Adjoint [deputy] and say, “Look, GM has a $350 million investment here,” which was a big investment in 1968. I would add, “Some official in your office is holding up the permit. Could you help us out?” That was sort of easy to do. Of course, I was also there during the crisis of May, 1968. We helped out the American companies. They couldn't get food and at times they couldn't get across the border during the strike. We had a small Commissary there. I lived in the Consulate General in Strasbourg—on the second floor. It was a beautiful building, constructed after World War II, like a chateau. So I performed that sort of function.

In Strasbourg the number of Americans was fairly small—that is, of Americans not married to French, if you will, who had decided to live there. The number of the expatriates was on a relatively small scale, so they hung around together.

Q: What about the Coal and Steel Community? Was it located there at that time?

SMITH: No, just the Council of Europe.

Q: Was that your beat also?

SMITH: The Consul General was supposed to follow that. He kept trying to justify the maintenance of the post on those grounds. I kept saying, “The Council of Europe will never stay in Strasbourg and will eventually go to Brussels. Let's not try to justify the post on the Council of Europe. Let's justify it on more substantive reasons.” We did, although I think that the Consulate General is closed now.

Q: It probably is, as so many small consulates have been closed down. How did you find dealing with these international bureaucrats? This was still at a fairly early stage.

SMITH: The Council of Europe in those days was not the most glamorous or prestigious of the European institutions. So you sort of had some “castoffs” in Strasbourg among the international bureaucrats. I found them exceedingly dull and, in many ways, irrelevant. I didn't pay a lot of attention socially to the Council of Europe types. They lived in sort of a ghetto. They all had tax-free status. Strasbourg tried manfully, urged on by the French Government in Paris, to keep the Council of Europe there. They offered the Council of Europe types all kinds of benefits to stay in Strasbourg. However, the Council was not a major force at the time. The one important role it played was as a sounding board for the British, who at that time were not members of the European Community and who paid their allegiance to the Community doctrine. Prime Minister Wilson came and said, “We want to join Europe” and all of that. That was his major claim to fame, I think.

When I was there, [The Council of Europe] was in sort of a ramshackle, temporary building. Now they've got an ugly, new monstrosity, which is hardly ever used, as they nearly always meet in Brussels.

Q: Let's talk about the “May Days” of 1968. Did you get called to supply other than administrative services? There was concern about the French armies on the Rhine.

SMITH: The French Army marched right past my bedroom window. First of all, we hardly felt the effects of the strikes. When the Embassy in Paris called and said that everything

was closed down, this didn't mean much to us. In Strasbourg everything was open, nothing was closed, newspapers were delivered, television went on, and all of that. That is, all local stuff. Now, the services which depended on Paris did not operate—the postal and telegraph services, for example. We immediately set up a mail drop in Kehl, which is just across the [Rhine] River [in Germany]. All of our mail came there, and there was no problem. The Embassy in Paris kept calling us, asking, “What's going on? How many rioters,” and all that sort of stuff. We said, “Who? What?”

Q: How about the students?

SMITH: Students? The universities went out on strike, but in a very gentile way, shall we say. A lot of the factories such as Peugeot and Berliet went out on strike—but, again, very gentilely. There may have been one or two demonstrations of more than 500 people in Strasbourg, but they were met with disdain. This is an area which in those days probably voted 90% against the communists. These were not people who were going to support “Danny the Red” [Daniel Cohn-Bendit, one of the student strike leaders in Paris]. The people [in Strasbourg] were not going to support him. Even in the universities, when they went out on strike, the strike did not affect us, as I was saying.

Now, as I said, we got calls from Bob Anderson, the Political Counselor in Paris, asking us, “What's going on? There must be something happening.” We kept telling him, “Sorry, nothing's going on.”

Q: Did you get involved in “Army watching,” because this was a big thing. I take it that an awful lot of the French Army is within the periphery of Strasbourg, though it may have been in Germany.

SMITH: It was in Germany.

Q: But still...

SMITH: De Gaulle went over to Germany to visit the French Army.

Q: I know that.

SMITH: De Gaulle made his first speech, which was a disaster. He talked about “pissing in a dog's bed,” or “faire pipi au lit” [in French]. That was sort of a flop. Then, on the following Sunday he made another speech, calling on everybody to rally around the Fifth Republic. In the interim, during that week, he had flown over to the [principal] French base in Germany and had met with the commanding general.

Q: Was it General Massu?

SMITH: Whoever it was. The general said, “We will support you but we won't fire on French people.” So there was a lot of activity at about 3:00 AM, with the rumble of French Army vehicles below our windows, coming across the Rhine River from Germany and going to Paris.

Q: Well, as you went over and looked at the French Army, were you asking them, “What are you going to do?” In the first place, when De Gaulle went [to Strasbourg and Germany], he virtually disappeared from the radar. Everybody was wondering where the hell he was, including our Embassy.

SMITH: Actually, I didn't know where he was.

Q: But did you know what the French Army...

SMITH: I just called the Embassy in Paris the next morning and woke them up.

Q: Good God!

SMITH: So I said, “I guess you'd like to know that the French Army passed through Strasbourg at around 3:00 or 4:00 AM, going your way.” At least they went along the main

drag in Strasbourg from Kehl, Germany. Here's the Rhine River, and here is Kehl right here [opposite Strasbourg].

Q: Kehl is in Germany?

SMITH: Kehl's in Germany. But the main street in Strasbourg is the Avenue du Foret Noir, which then joins Avenue d'Alsace, and then becomes Avenue des Vosges. You have “Black Forest” Avenue and then “Alsatian” Avenue. And the Consulate General was on the Avenue d'Alsace. You could see these French Army vehicles coming down the Avenue du Foret Noir and continuing along the Avenue des Vosges. We didn't have any reason for thinking that they were going from Germany to Paris. Paris was 250 miles away—that's a long drive. So we assumed that, while they might be taking up positions to quell uprisings, that wasn't happening in Alsace, so we assumed that they were going elsewhere. We could tell that some of these vehicles came from Germany, because of the markers on the tanks. But we had just had the May Day parade, with the same vehicles, and we were going to have another parade on Bastille Day [July 14], so we got an extra parade that year [1968].

Q: Did the Embassy give you any guidance or ask you to find out anything?

SMITH: No. The Embassy never paid any attention to us. You have to understand. We were unaffected by the strike.

Q: This was something that those Parisians did.

SMITH: Yes. So, to us, all of these were problems in Paris. Ambassador Sarge Shriver was sitting on the curbs, talking to the strikers, and all of that. It was another world, as far as we were concerned. Nothing was going on in Strasbourg. It was the only place in France that was unaffected, but everything was going on normally.

I went up to the steel factories in Lorraine, some of which were on strike, while others were not. The big concern of the workers was what they call the “SMIG” [Guaranteed Minimum Industrial Salary], the monthly salary for industrial groups. You had the “SMIG” and then you had the “SMAG” for agricultural workers. These people just wanted a raise. They weren't students—they were workers. They just wanted more money, a raise. The “SMIG” was renegotiated every year with the big steel companies.

You just would not have known that this was a national strike, except for the fact that there were some inconveniences. You didn't get mail from Paris. The international mail went the other way. Instead of getting it from Paris in Strasbourg, we got it instead in Kehl and sent it to Paris. We drove our cars to Paris. Took two jerry cans of gas. You just couldn't get gas in many places. I would fill up the car—you could get gas in Strasbourg. I would take two jerry cans with us—10 gallons. So that gave me 30 gallons of gas: 20 in the gas tank and 10 with me in the jerry cans. That would get us to the Embassy in Paris. We would fill up there, plus the jerry cans again. We took the old N4 highway.

Q: This points out how often, when you have a political crisis somewhere, many times it's really confined to the capital. People elsewhere are sitting around, thinking, “Big deal.”

SMITH: It taught me a big lesson subsequently. We used to get all these memos from Embassy Paris. Charlie Tanguy [then First Secretary of the Embassy] would have had lunch with the Deputy from some godforsaken place, and this would go by an IMMEDIATE message to Washington. Who cared?

Q: It does put things into perspective. Well, let's go to Lyon. When you went as Consul General to Lyon, you were following in the illustrious footsteps of James Fenimore Cooper, who never really worked there but was assigned [to Lyon] as a sinecure, to give him a title.

SMITH: Right. He was the first American Consul in Lyon.

Q: You were in Lyon from 1969 to 1970. Could you talk about what you were doing? First of all, what was the situation?

SMITH: At that point Lyon was a city that was trying to find its future. It had had a dynamic mayor by the name of Louis Pradel in the great French tradition. He was the sort of heir to Edouard Herriot [Radical Party leader]. However, Lyon was in a sort of gentle decay. The textile industry was going down the tubes. That's where the “Jacquard Loom” was invited, which was the precursor to “punch card” textile machines. They had automobile and steel factories in Lyon, like Berliet. Berliet was in terrible condition. Lyon vied with Marseille but was presumably the second largest city in France. It had a rich, cultural tradition, and the people were very proud of being “Lyonnais,” not Parisians. It had a mixed political life, including conservative and radical elements. They had had a couple of deaths during the riots [of May, 1968].

For us, Lyon had three or four reasons [for maintaining a Consulate there]. Lyon was the only city in France which officially celebrated July 4. It was a city holiday. That was because of the aid which the U. S. gave to the French Resistance [during the German Occupation in World War II] in 1943-1944. The Resistance was headquartered in Lyon during World War II.

Q: This was at the Hotel Terminus?

SMITH: Yes, and Jean Moulin [Director of the Resistance in France, killed by the Gestapo] and his associates were all in Lyon. The old-timers remembered with great fervor the help that the U.S. had given to Lyon.

The Consulate was there because Lyon was a crossroads and was the second largest city in France. If you were going to have a consulate, it made sense to be there. Thirdly, it was thought at one time that Lyon would become a very major economic center in France, and so we should be there. Fourthly, I say cynically, it happened to be just 30 kilometers from

Vienne, where the famous restaurant, La Pyramide, was. Therefore, somebody had to be in Lyon to take care of all of the Congressmen and Senators who came through to get a good meal. I say that cynically...

Q: But with a certain justice.

SMITH: I remember that very well. How could you justify a Consulate then—particularly during the Vietnam period? We had two policemen in front of our Consulate 24 hours a day. I also had a policeman in front of my house, 24 hours a day. There was very strong anti-U. S. and anti-Vietnam feeling in Lyon, because there were a lot of Vietnamese students, by the way, at the University of Lyon. You couldn't, in a way, justify this. We did very little political and economic work. What Ambassador Sarge Shriver wanted done was to show the flag in a discreet way. Don't take on the Vietnam issue. Take on the other issues.I was in Lyon at the height of the space program—going to the moon and all that. There was a company in Lyon which had made the lenses which were going to be used in the cameras sent along on the moon shot. We parlayed the Apollo program like you never saw. We had Apollo VI, VII, VIII, IX, XI, XII, XIII. We showed movies all over the place. We even had one of the “moon rocks,” and thousands of people saw this crazy little stone.

We kept a reasonably low profile on political matters. I handled most of the work on economic matters. The Consulate in Lyon was a visa-issuing post. It was just a Consulate. The Consular District went up to Dijon, across to Clermont-Ferrand, and down to Valence. It covered 15 departments—a pretty large area.

Now, did I do anything good for the United States? I don't know.

Q: Well, part of it is just being there.

SMITH: There was no question that the Lyonnais liked Americans personally. It was a great place for our kids. We lived in a Swiss-type chalet. The official residence of the Consul at that time was a Swiss chalet, right on the well-known Boulevard des Belges,

which overlooked Lyon's central park—something like the Boston Gardens—with the world's largest collection of tulips. We had a wonderful time in Lyon. It's a city with an old, long-established upper class and, in those days, a working class. There was very little in the middle. That has changed significantly. Lyon has become a fairly vibrant, economic center. But I believe that we've closed our Consulate there.

Q: How did you treat the Vietnam War? This was at the beginning...

SMITH: I was very much in favor of the Vietnam War.

Q: At this exact period I was Consul General in Saigon. You supported the Vietnam War. How did you treat it and deal with it, because, obviously, you couldn't just duck this?

SMITH: I just faced it straight on. I would say that, to the best of my knowledge, the Vietnamese asked for our help against the communists. I would say that there is no way you can tell me that the communists are good guys. They have a typical, totalitarian system. We had a commitment and we intended to meet it. How would you like it if we didn't carry out our commitments [in Europe]? What would you think if you had a [external security] problem [at some time in the future] and came to us and said that we had a treaty commitment to help you? And then what would happen if we didn't meet our commitment? I never ducked the issue. I didn't raise the issue. I didn't go out and volunteer. I didn't want to be stoned or have something else thrown at me. I never ducked the issue but was very straightforward. I said to most of my French contacts, “We probably disagree.” I went on television, radio, and all that sort of stuff. We had our talking points from the Department of State.

It wasn't until I got back to Washington that I saw that we really were not addressing the war correctly. I was always a supporter of the Vietnam War, right to the bitter end. When I say that we weren't addressing the war correctly, I thought that we had handled it badly

in the military sense, that we didn't throw all of our muscle into it early on. I think that gradualism in war doesn't work.

As far as the French were concerned, I said that we were taking a stand here, and you can join us or not. Then I said, “We'll remember you.” Then they started thinking.

Q: Particularly because a place like Lyon did remember.

SMITH: I would say, “You guys left us this problem.” I kept going back to Dien Bien Phu and said, “We're continuing what you asked us to do. So don't come at me.”

Q: How did you find the French Communist Party? What was its strength, what problems did it present, and how did you...

SMITH: Well, Lyon had a pretty strong Communist Party in those days. I think that Lyon and Marseille were the two big places [for the party] outside of Paris. However, they were pretty grubby, scruffy types. In those days Lyon was a pretty ugly city—gray concrete and stucco buildings. You'd go down to the working class districts, and it was pretty grubby.

The communists never gave me any problems because I'd walk right in there and say, “OK, you're in a communist labor union. I just want you to know that I don't believe in communism. I'm here to tell you a different story.” They would say, “Well, Mr. Consul General, we are very honored to receive you” and all that. Whether they were communists or right wingers, they would always use that protocol stuff.

They never touched us. During the two years that I was there, they only splashed paint on our Consulate once, which was lucky. We had to close the Consulate a couple of times because there were going to be demonstrations against us, particularly when President Nixon ordered the invasion of Cambodia.

Q: That was in the spring of 1970.

SMITH: So we closed down. We sent our people home. Again, you depended on the “International New York Herald Tribune” to know what was going on in connection with Vietnam. We were on the receiving line. I can't say that we faced any physical danger.

Q: What about the power and influence of the French intellectuals in Lyon? I take it that this didn't sound like very fertile ground for them. [Intellectual opposition to the Vietnam War] sounds like more of a Left Bank, Parisian manifestation.

SMITH: Lyon had its “Left Wing” element at the University of Lyon, but it was much less of a political university than [the universities] in Paris. Lyon had a major medical school. Students who want to become doctors don't have enough time to demonstrate. So the “Left Wing,” intellectual element was really not a factor. I'm sure it was among the literary types, but Lyon was a very conservative city, even though it had a Socialist Party mayor and a long tradition of being anti-Paris. But that's because it was Lyon and not because Paris was pro-De Gaulle at that time, I would say. The Left Wing was there in Lyon, but so was the Right Wing. There were kooky Right Wing groups, I can tell you.

Q: Did you have Poujade or Le Pen supporters?

SMITH: We had the “juriste” movement. You had the anti-Algerian group, but it was relatively small. You had the “juriste” or secessionist movement, named after the Jura Plateau, which wanted to get out of France! [Laughter].

Q: Sounds like a non-starter.

SMITH: Then you had people in Clermont-Ferrand who worked for the Michelin [Tire Company]. That was a company town. Everything was owned by the Michelin family. I'll never forget one time when I went to Clermont-Ferrand. I was paying a call on the head of the Michelin Tire Company. I went into this factory office. It looked like something out of the 1920's. All of the secretaries and the receptionist were women, of course. But they were dressed in long, brown smocks, practically down to their ankles. Their hair was tied

back and they had horn-rimmed glasses. They were the ugliest women I ever saw in my life. You waited in the waiting room. In most cases in those days, if you went into a French corporate headquarters, there would perhaps be a picture of the president [of the company] and a picture of De Gaulle. In this waiting room there was only one picture on the wall. It was the portrait of the President of Sears Roebuck, because Michelin was the tire supplier for Sears. [Laughter]. They knew where their money was coming from, where their bread was being buttered. No picture of De Gaulle, no picture of Michelin—just a picture of the President of Sears Roebuck.

Q: Tell me. Both in Strasbourg and Lyon, you got a pretty good look at French industry. What was your impression of French industry?

SMITH: It was terrible. They were never going to “make it.” Now, what they were very, very good at, which history has since proved, is services. They were thinking ahead about how you provide services, as opposed to manufacturing. But the working conditions [in the factories] were appalling. Here was a country which had been unionized, in many ways, long before the United States, in which the unions were relatively much more powerful. And yet the “patronat” [the bosses], depending on which government was in power, were as reactionary as you could possibly imagine. You couldn't survive the working conditions, even in Mississippi. I was stunned. No worker protection against hazardous conditions. Technology was very sporadic. This was the time when Jean-Jacques Schreiber was writing about “Le defi americain” [The American Challenge]. They thought that we were going to take them over. The best technology came from the United States. If you went to the GM, Caterpillar, Timken, or Cincinnati Millicron factories, our technology was generations ahead of these guys, relatively speaking.

Q: When I was in Italy, I found that the unions were used so much for political purposes and maybe getting salary raises that they didn't get around to working conditions.

SMITH: I never saw them get around to working conditions. I was appalled. An American company could bring its way of handling workers, even if the company wasn't unionized, like Timken. It would be far ahead of anything the French had. The whole working relationship was much better. It showed. The workers dropped lifetime employment with Berliet to go and work for E. I. Lilley, which was a gamble.

I know that there have been dramatic changes in France since that time. I'm talking about conditions 25 or 26 years ago. French manufacturing has improved, and all of that. I was stunned at the lack of worker amenities, given the strength of the labor unions.

Q: You left Lyon after two years [in 1970] and went to a fascinating position where you were a staff assistant to the President, 1971-1973. How did this come about? This is very unusual...

SMITH: I got a letter in the mail from a person named Noble Melencamp.

Q: I know Noble.

SMITH: Way back when he had been my “grandfather,” so to speak, when I was going off to Chad. In my early days in the Foreign Service every young Foreign Service Officer was supposed to have a “guardian”—we called them “grandfathers.”

Q: They were called “career management officers.” We were “schmoos” together.

SMITH: In the interim he had been assigned as staff assistant to the President, in charge of Presidential correspondence. He was going to be moved on. At the time he thought he was going to be DCM or Political Counselor in Moscow or Rome. So out of the blue I received this letter from the White House. You know, here was this guy who got a letter from the White House! The letter said that he was going to be leaving. He said that he had gone through about 50 personnel files of officers. He said that my name had come up. He remembered me and was impressed by me. He said that I had an excellent record. Would

you consider coming to work for President Richard Nixon? He said that a lot of people might have problems with that but that I could put that aside.

I immediately fired back a cable, saying, “Business address can't be beat. I'll be there.” That was in October...

Q: That was in October, 1970.

SMITH: That was when I got the letter. So we packed up our effects and went home to Washington just before Christmas, 1970. On January 4 or 5, 1971, I went down to the old Executive Office Building [17th and Pennsylvania Avenues, N. W.] and reported in to Noble as assistant chief of Presidential Correspondence. As it turned out, he didn't go on to Moscow or Rome. He became chief clerk at the White House, replacing Bill Hopkins, who was a legend in his own time. Hopkins, I think, was the only GS [civil service] employee who ever went from GS-1 [the lowest level] to GS-18 [the highest level]. I became chief of Presidential Correspondence. That position had been held by a Foreign Service Officer since the administration of President Eisenhower. Eisenhower had called his friend, John [Foster Dulles, then Secretary of State] and said, “Look, I'm getting all these letters over here. They don't make any sense. Do you have somebody who is a fast drafter?” So Dulles sent over his best drafter, and, from that time on, the chief of Presidential Correspondence was a Foreign Service Officer—allegedly assigned there because FSO's know how to write. Or knew how to write. I'm not so sure today.

So I went over to the White House and was the last Foreign Service Officer to hold that position. After I got through, the “great” H. R. Haldeman [Nixon chief of staff] decided that this should be a political position. So they brought in a political appointee to take my place. Not that they didn't like me, but Haldeman wanted to politicize everything.

So I spent two and one-half years [1971-1973] as chief of Presidential Correspondence. That was the largest single operation in the White House. It had 230 people. President

Clinton, by the way, fired most of these people, which was outrageous, because these were career civil servants.

Q: And they also knew how to do the job.

SMITH: We answered all of the President's mail.

Q: Well, talk about the job.

SMITH: It was a fascinating job. The President received more mail—at least in those days—than any person in the world, with one exception. Everybody wonders what the exception is and says, “It must be Santa Claus.” It's not Santa Claus, it's Smokey the Bear. Smokey the Bear gets more mail than the President.

Q: You might explain who Smokey the Bear is.

SMITH: Smokey the Bear is a brown bear, a character which the Forest Service used to urge people to stop forest fires. Every kid in America used to write letters to Smokey the Bear, saying that we're doing our bit to stop forest fires. Smokey the Bear was actually Hardin and Weaver, radio commentators on Washington Radio Station WMAL. They would send out a sticker, or something like that. Smokey the Bear got more mail than anyone else. The President gets more mail than the Pope and more mail than Santa Claus.

When I was in that job, we were doing 6.5 million letters a year. Every single letter was answered. The system worked very neatly. We had 225 career people in the White House who handled correspondence. The correspondence was divided roughly into thirds. You had professionals who would analyze the mail as it came in, another third would draft the responses, and another third ran the machines, did the typing, and so forth.

Q: This was before computers.

SMITH: Well, it was pre-computer time, but we did have what were called “robos.” We would get, for example, “inspired mail” on Vietnam, social security, or the plight of the Soviet Jews. We had sort of “set” responses to handle the “set” letters that came in. You would just put the number on the incoming letter. They were all typed on a machine—not printed, all typed, using Friden or IBM tapes. At first there were the punched tapes, then there were the “Mag” cards, and so forth. As I say, we processed about 6.5 million letters, postcards, and telegrams a year. It was quite an operation.

Q: What about the political content of this? Obviously, there were standard letters, but there must have been some that had real political content.

SMITH: There were, and you may ask how a Foreign Service Officer could do that. As you know, people who work in the White House are exempt from the Hatch Act.

Q: The Hatch Act is a law which prohibits civil servants from doing anything of a political nature.

SMITH: But these were civil servants, and they were still exempt from the Hatch Act, so they wouldn't be in violation of it. These people had served Republicans and Democrats alike. By and large, you took the overtly political letters and sent them to the political entities in the White House, the Republican National Committee, or wherever. You couldn't avoid it. The President—our President—wears two hats. He's head of his party and he's head of his country. You can't separate the two very easily. That's why [these employees in the White House were] exempt from the Hatch Act.

However, I, as a Foreign Service Officer, was not exempt from the Hatch Act. So I had to be very careful. If I had a political letter, I normally “funneled” it to somebody. One of my deputies was a political appointee. I let her answer those. We drafted these letters for the President's signature. Then they went over to Rosemary Woods [President Nixon's private secretary], and the rest is history. You know the story of the famous “Rosemary” stretch.

I was there during the Watergate affair, which was another whole episode in my life. It was hard to separate political matters, but actually, most letters sent to the President are not about politics. At least, they weren't in my time. We used to say that the President received letters that a priest wouldn't receive, from someone who was confessing something. A lot of them were heartrending. By and large, Americans wrote to the President overwhelmingly about the economic situation. About taxes. American hate taxes—or at least I found it that way. Maybe that's changed. That's 25 years ago.

Q: That hasn't changed a bit, I'm sure.

SMITH: They were worried about their future, health care, their mortgage, and education for their children.

In addition, the environmental movement was just beginning to wake up. There were a lot of letters received on the environment and a lot of letters received in the form of what was called “inspired mail,” such as 100,000 letters from the Postal Workers Union and 500,000 letters regarding Soviet Jews. Above all, I was there during the Vietnam War, so a great deal of the mail concerned Vietnam.

We even had a “kiddies” unit. You had mail that came in from adults. That went to one section. You had another group that went to the “kiddies” unit. We had letters with standard responses from Mrs. Nixon, Julie Nixon Eisenhower, Patricia Nixon, and the President. We also ran a gift unit, which was responsible for the selection, wrapping, and packing of presidential gifts for heads of state, whenever he went traveling.

One very interesting story relates to when the President was going to China. We had bone swans and other, similar gifts for presentation. Two or three days before he left Washington the gift unit, without my knowledge, wrapped up hundreds of these presents in the official, White House wrapping paper, which was white, with a gold seal.

Q: Which is the color of mourning [in China].

SMITH: Which is the color of mourning. I went up and fought this issue out night before [the President left]. I said, “Lucy (Her name was Lucy Ferguson.), you're going to have to undo every one of these and go out and wrap them in red.” She said, “Why?” I said, “White is the color of mourning [in China].” She said, “Nobody told us.” So we had to bring in about 60 volunteers, we raided every damned stationery store we could find in town and got all the red wrapping paper we could find, and we rewrapped all those presents.

Q: It's interesting. This is where the Foreign Service background tells you these things, which you just don't get from...

SMITH: The State Department was supposed to have overseen that. They were running the whole visit. Well, we didn't know about it. The White House knew it. They wrapped up all these beautiful bone swans. We had sets of two beautiful, matched swans.

Q: These are swans in crystal?

SMITH: In porcelain, by Boehme, I think, a famous American sculptor of swans in porcelain.

So we ran the Gift Unit and we handled correspondence from both “kiddies” and adults. My own office, if you will, handled all hand tailored letters. We had about 20 people in my own shop. I was responsible for everything, but in particular I oversaw the hand tailored letters, because, obviously, most letters are “form letters” for which there are stock answers. However, VIP's [Very Important Persons] get special treatment, and we had an incredible filing system. A piece of Presidential Correspondence was obviously kept. You always had to check what had come in previously [from this person]. We always called for the previous material to be sure that, if the person had written in to the President two or three times previously on the same subject, you wouldn't send back the same response.

We had one very interesting incident about that, during the Presidential campaign...

Q: Of 1972.

SMITH: Of 1972. We had developed a series of responses, a “thank you,” depending on, if you will, the nature of the support given to the President by whoever wrote the letter. If the person gave $100, he or she got one kind of response. If the person gave $1,000, he or she got some other response. Anyway, we kept calling for the previous replies to this one person, who was a bank teller down in South Carolina. She was sending in money like you never saw. We were trying to figure out how we handled these. There were 33 or 34 letters [that came in]. And I had to write 33 or 34 different letters [in response], thanking her for the same thing, for a contribution of $3,000 every time, because that was the maximum you were allowed to contribute.

As “The Washington Star” revealed after the campaign, they went down and found that this lady had sent in 33 or 34 contributions. They found that she was indeed a bank teller in Greenville, SC. She was just the person transmitting the money which the textile PAC's [Political Action Committees] had put together from textile factory number one, as opposed to textile factory number four or textile factory number nine. She had all of these letters from President Richard Nixon framed in her bank office and photographs of all that stuff. It turned out that she was a Democrat and had voted for [former Senator] McGovern. She was just a bank teller. She kept these 33 or 34 letters.

Q: Did you know that she was a bank teller?

SMITH: No.

Q: Otherwise, you might wonder if she was dipping into the till.

SMITH: No, we didn't know about that at the time. She signed the checks, so that is whom the letters went to.

Q: There must have been a good number of cases where letters would come in to which you could write a nice reply. However, somebody would have to have political or other responsibility to check them out.

SMITH: No, we were responsible for that.

Q: But wasn't there a point where you would take something [to someone] and say, "How do we handle this type of thing?"

SMITH: Only if it was a legal issue. On political issues we were expected to prepare a response. We went to Ray Price, who was the President's speechwriter, and whose deputy—small world—was David Gergen. Dave and I are close friends.

Q: He is now in the Clinton White House, trying to rescue the President.

SMITH: And doing a good job. Our nominal bosses were Dave Gergen and Ray Price, who were responsible for speeches and other statements for the President. We would go to them for political guidance on [specific] issues. Abortion was not a big issue at that time. However, had it been a big issue, we would have cleared the general text.

There were more or less two rules. The President never says, "No." So if someone writes in and has to be turned down, he is always turned down by somebody other than the President. Presidents only say, "Yes." Secondly, regarding most issues, we were expected to devise the responses ourselves, which we did. Of course, as a matter of policy, we would check the responses with Dave Gergen or Ray Price to be sure that there was nothing terribly wrong with them.

On legal issues they went up to—and this is another example of a small world—John Dean [counselor to President Nixon], who, as history proved, was the person that "blew the whistle" on the Watergate affair. There were issues, for instance, such as the use of the Presidential Seal or the Seal of the United States. Many people sent in money

to the President. When Patricia Nixon was married, Sam Allig, one of the developers in Montgomery County, sent in a check for $10,000, saying, “Happy Wedding.” Well, we would send that sort of thing up to the Legal Counsel. Of course, they returned this check. However, that sort of thing we would do routinely.

The President also received an enormous amount of food. Little old ladies would send in some cookies. On cold winter nights the President and Mrs. Nixon wore mittens and used hot pads. You'd be surprised how much stuff the President receives. All food is immediately destroyed, because you can't take the risk of its being poisoned. For that reason, you can't give it away. That's wasteful, eh? Socks, gloves, mittens, and that sort of thing were given away, unless they had been personally monogrammed with the words, “President Richard M. Nixon,” or something like that.

Q: What happened to those?

SMITH: I assume that they are in the Presidential Library or Archives.

However, being there during the time of Watergate was very difficult. I used to say, “Some of my best friends are now in jail,” as they were. Portions of the old Executive Office Building were sealed off by court order, as well as archives and things like that. It was a depressing time. It was depressing to be in the White House and see the disintegration of a Presidency.

Q: The Watergate Affair occurred, of course, before the 1972 election but didn't become a major controversy until after the election.

SMITH: Right.

Q: You arrived there in 1971. Can you talk a little about your connection or interface with Haldeman, Ehrlichman, and that political group there?

SMITH: We reported ultimately through Rosemary Woods to Haldeman.

Q: Rosemary Woods was the President's secretary.

SMITH: And chief confidante. At that time Rosemary was alleged to be a girl friend of the Chief of Police in Chicago. She was totally devoted to the President. She's a devout Catholic. She is hard to get to know. She is not very friendly. However, here are two or three observations.

First, the Nixon White House staff was, without a doubt, the most able White House staff since World War II. I don't think that many people would differ with that. It doesn't mean that it was the best staff, overall, for the country. But it was the most able. It was well run—extraordinarily well run. Lines of command were very clear, and there were no “goof-ups,” from that point of view. If you look at the Carter White House, which was a disaster, the Nixon White House shone in glory. And most people—scholars or students of the White House—will tell you that today.

But the Nixon White House staff also suffered from the classical Greek “fatal flaw.” It was arrogant.

Q: It was affected with hubris.

SMITH: The hubris at the White House was overwhelming, particularly among the young guys. It also reminds me somewhat of the Clinton White House staff, with the so-called “kiddy court.” I always thought that the big fault was that they had nobody in that younger group under Haldeman and Ehrlichman who had really ever gone through the testing experience of a political campaign. The average age of the Nixon White House staff at that time—and President Nixon prided himself on that—was something like 28.

These people would get on the telephone—and I heard them do this. For example, there were Gordon Strong, Mary Higbe, and people like that. They would say, for example, “This

is Higbe over at the White House. The President wants...” They would be calling cabinet secretaries. These were 28 year old whippersnappers. They were just riding for a fall. Watergate, if you say anything about it, involved arrogance, rather than malevolence, in many ways.

I interfaced very closely with the Nixon White House staff, obviously. I was scared stiff of Haldeman. For example, I'd be sending forward a memo on correspondence concerning the public reaction to the situation in the “Fishhook” area on the Vietnam-Cambodia border. He would write a comment on it with a big, blue felt marker, “TL squared.” That was Haldeman. “Too little, too late.” He was a tough son of a bitch. At the same time I still think, to this day, that he was the most effective presidential chief of staff. Why? Because he was not afraid to say, “No.” He was not afraid to be a son of a bitch and say, “No.” At the same time, he was not afraid to make people produce. Motivations and results and reasons are another matter. I didn't agree with a lot that Haldeman said. The interesting thing is that both Haldeman and Ehrlichman were Christian Scientists. Very, very interesting. Haldeman was a devoted video movie fan. He was a devoted parent but he could be a son of a bitch in the office. More importantly, he had a lot of people underneath him who were arrogant—especially these young guys. In my view, at the end —and I think that Dave Gergen and Ray Price would agree with me—what undid the Nixon Presidency was the arrogance of people who were not seasoned.

There were not too many Len Garment's in the White House. Len Garment was [a special assistant to the President] in the White House, but there weren't very many people like him. President Nixon had Pat Buchanan. Can you imagine Pat Buchanan, 20 years younger than he is now?

Q: Yes. He is a very opinionated, sort of news pundit or something like that, and who is now not going anywhere.

SMITH: We had Bill Safire and Chuck Colson—before he became a “born again” Christian. These were ruthless people. They were not corrupt in the slightest. I believe that the Nixon White House staff was probably the most pristine or puritanical staff you could ever imagine. But some of them were zealots to an extreme. They were “Nixonites” but not necessarily Republicans.

Q: How about you as a Foreign Service Officer? Nixon had an aversion to the Foreign Service. Did this give you a problem?

SMITH: I got along splendidly with these guys. They were appreciative of what we were doing and they were solicitous. I never had a “run-in” with any of the Nixon staff.

Q: What about Henry Kissinger?

SMITH: Special Assistant to the President for National Security Affairs. We never had anything to do with him. We would send stuff over to Jeannie Davis, who was a Foreign Service Office and head of the NSC [National Security Council] Secretariat. Whenever there was a foreign policy question from a “big wig,” over it went to Jeannie. We had very little to do with the National Security Council. Ours was purely a domestic operation. Well, I wrote letters to foreign leaders on their birthdays and all that sort of stuff, but usually on the basis of guidelines from the NSC that told us what to say. And then we would have to put the particular Nixon stamp on the letters. For example, Nixon hated to begin a sentence with the word “I.” This is like not having words with the letter “e” in them. It was very difficult to handle so that it wouldn't look too convoluted. No letter which went over to Rosemary Wood for his signature with a paragraph which began, “I” would ever pass. It would automatically be sent back. So you learned how to put “I” elsewhere.

Q: I know exactly the same thing. When I prepare correspondence, I try not to put an “I” at the beginning of a paragraph. It's difficult.

SMITH: It's very difficult. And we had one other project. This was the most difficult, single assignment I ever had—bar none—in my 30 years in the Government. The President felt very strongly that the career civil service, despite what he said in public, was not getting sufficient recognition and appreciation. So we had what was called “the one liner campaign.” That is, every cabinet officer was supposed to submit to the President, let's say, for example, by Monday noon, 10 examples of work which their people had done, over the course of the years, either in the office or outside it. In other words, wonderful things that they had done. This was to capture the spirit of America, voluntarism, and all of that.

These nominations went over to the PR [Public Relations] people in the White House. The cabinet officers sent in about 500 of them. The PR people would go through them and say, “Well, these 50 people look like the best,” and they would send those down to us by the afternoon. They would say, “Write 50 one liners.” What was the difficulty? You'd have some guy over at NIH [National Institutes of Health] who had invented some medical process which, in itself, was sort of a one liner. You'd have to make this letter from the President of the United States convincing and make it believable that he had heard about the process. You had to say it, literally, in one sentence. You had to do 50 of them. You received them at 3:00 PM and had to have them in to Haldeman by 6:00 PM. If the letter was more than one sentence long—and the sentence couldn't be a paragraph—it was thrown out. Haldeman would call you and say, “It's not what I wanted.” So, one line or one sentence. And you had to do 50 different ones.

I learned the art of writing in the White House. I think I had it before, the ability to say something and to compress a thought. We used the old typewriters—no word processors. Often I started in at the office at 6:00 AM and stayed until 7:00 PM.

Q: What does this do to family life?

SMITH: It's terrible. But the kids were in school, and my wife, or, rather, my former wife, was taken care of. We never had to work weekends. It was all right. It was a good business address, and you could take the kids to the White House. They were old enough—between 10 and 11 on the one hand and between 8 and 10 on the other. We got little souvenirs for the classroom from the White House, so it was all right. But the pressure was relentless.

Q: Before we leave this period, let's talk about Watergate, as it developed. You were there during the early period.

SMITH: I was there from the time they broke into [Larry O'Brien's office in the Watergate complex] on June 16, my birthday. In fact, from the night and early morning of June 16-17, 1972, until June, 1973. By that time the handwriting was on the wall. The President, of course, didn't resign until August, 1974.

Q: Did this change what you or your staff were writing or doing?

SMITH: No, but it was hard to keep up the facade. I can tell you just one little incident. There was a woman in the Office of the General Counsel to the President, a Republican appointee, with whom I worked very closely. She called me on the phone at 7:00 PM in June, 1973, and said, “Mike, get out of here. All hell's going to break loose.” I didn't ask any questions. I said, “Thank you, Darlene, I'm leaving.” I took extended leave for six weeks under the guise of a long-postponed trip, camping out West with the kids. That's when they started going to the judge.

Q: Judge Sirica.

SMITH: Judge Sirica and all that sort of stuff. When Jeff Magruder and all of the others were being called in and the people in the Office of the General Counsel were being called in. I just skedaddled because they told me to get out. They didn't want me to be hurt by all of this. I'll never forget them for doing this. They were extraordinary on this. Somebody

took the time to say, in the midst of seeing the attack on the Presidency, that there was a career guy in a political slot who was innocent, who didn't know anything, and who should be protected.

Q: There was a sense of concern there.

SMITH: Nixon was vilified for many things, in many cases wrongly. So I just got out of town. But I can remember that here they had just won the biggest presidential election victory. There was going to be this new initiative which Nixon had put forward, the idea of “power to the people.” He was moving from the international agenda to the domestic agenda—something which George Bush may never have done. The Vietnam War was behind us, in essence—not quite, but it was close enough. Everybody could see that it was winding down. Nixon was moving to a domestic agenda. So, after the election, spirits were high.

I went away on Good Friday of 1973. We packed our camper and started out. I came back on June 6 or 7. My office was like a morgue. The entire White House complex had changed from a mood of outwardness, “Let's take the initiative,” to one of defense, with the Presidency under siege, for the next 12 to 14 months. I came back and asked for a transfer. My assignment was over, anyway. I was sent to the Textile Division of the Department of State.

As to the Watergate Affair? We knew that something was amiss. In hindsight, it's very easy to see what happened, but to this day I am still persuaded that Dave Gergen was “Deep Throat.”

Q: “Deep Throat” was the person who supposedly gave...

SMITH: Bernstein and Woodward [”Washington Post” reporters]...

Q: The information which supported their investigative reports on the Watergate Affair.

SMITH: Others say it wasn't. They say it was Len Garment, or someone else. But I thought it was Gergen. Anyway, I knew something was wrong. I wondered how could you have all this going on and how could the President have been going along like this. Well, I knew that Colson had been doing all of this stuff. It was a depressing period, as the affair unraveled. In my own view—and obviously I am a minority in this—this whole affair was over nothing.

Q: I was in Greece at the time, and we were having a hell of a time explaining what the hell this was all about [to our Greek contacts]. I think that almost every Foreign Service Officer had the same problem.

SMITH: So they bugged somebody's office after a break in. Who cares? When I went to China for the first time, the Chinese couldn't believe it. This was at the time of the Carter administration. They still couldn't believe it—that somebody had been forced to resign because they busted into a politician's office. But that is evading the issue, in a way. Seen in hindsight, the problem I had was that I should have known better. I should have warned these guys not to be quite so arrogant.

I'll tell you one story. After the presidential election of 1972 Gordon Strong, who was one of Haldeman's young assistants, came over to me and to Roland Elliott, who was the “political guy” in my office and nominally the chief of the Correspondence Division, carrying a black bag. He said, “The President wants to thank everybody for what they did in the election campaign. So we want to put together a nice memento, with photographs, letters, and all of that.” Well, Roland and I said, “That clearly comes under the non routine activities of the White House. The cost of that will have to be repaid to the Federal Government.” Strong opened up the black bag and there were $300,000 in cash. Now, you tell me what a 28-year-old kid is carrying around $300,000 in cash for. We were stunned. Even Roland Elliott, who is now dead, was stunned. This isn't what we meant. We said, “We'll bill you. We'll bill the Republican National Committee for whatever is done by the

White House," because the President does carry two hats. We said, "We'll bill you for that political work."

Q: There's a power kick involved in running around with that much money...

SMITH: That's what it was. It was the arrogance of power. It wasn't the malevolence of power. I don't give a damn who says it. I don't think that either Nixon or his people were evil. Indeed, if you are a foreign policy specialist, Nixon was a fine President.

Q: I must say that this theme runs throughout so many of my interviews. People say, "Nixon knew the foreign policy game and followed the rules, you might say, both as Vice President and as President." These are comments by Foreign Service Officers in these oral histories, although Nixon apparently never, I think, really gave the Foreign Service credit for their giving him this credit.

SMITH: Well, actually, he admired the Foreign Service. He used to tell me, "You know, I have more Harvard graduates on my staff than any other President." He used to pride himself on that, although he used to rail against Harvard types. He would say, "I've got more Foreign Service Officers working for me than any other President had." He had a sort of hankering to be accepted by the "Eastern part of the United States." Lyndon Johnson had the same hankering. He highly admired Charles Freeman [a Foreign Service Officer], who was his interpreter in China.

Nixon was a smart guy. He was no dummy. He had a vision—clearly, he had a vision. In his own way—although people will never give him credit for this—he was a massive contributor to the Urban League and to the United Negro College Fund. He gave a lot of money to charity, but it was unsung. He never took credit for it or tried to exploit it.

He did have a mean streak in him. He could get as mad as hell. But he will never shed the Herblock [Herbert Block, Washington Post cartoonist] image of heavy eyebrows and a heavy beard, which is too bad. He had this tendency to sweat under his nose, on his

upper lip. You could never really get comfortable with him. He wasn't the kind of guy you could be “palsy walsy” with. This is a person who wore his suit and shoes at the beach. In the summertime he would go into his office in the old EOB [Executive Office Building], turn on the air conditioner, and light a fire. He kept the room chilly, so he would light a fire. Then he would put his feet up on the ottoman, but not take his suit coat off. He could never relax. I have to stop now, but I can tell some stories about Julie Nixon Eisenhower.

Q: Would you tell us about Julie Eisenhower next time? We'll pick it up at that point and then move to textiles.

Q: Today is November 17, 1993. The last time we had just finished with your time as a staff assistant to President Nixon, but you said you'd like to talk a little about Julie Nixon.

SMITH: Yes. That was in 1972 and 1973. Julie Nixon had recently been married to David Eisenhower [President Eisenhower's grandson]. She was still a young bride. She became very interested in the President's mail operation and particularly the letters coming in from kids. So she spent four months over in our shop, in an office next door to mine. Actually, we had a suite of offices, so you could go from office to office. She looked over the mail, bringing letters to our attention and to that of the President, which she thought were interesting, insightful, of human interest, and so forth.

Julie was one of the most decent people I ever met in my life. No airs whatsoever. She was friendly, gregarious, kind, and just a sweetheart of a person. That contrasted with the reputation that her sister, Patricia Nixon, had. Patricia was known as the “Ice Queen.” I didn't know Patricia but was very much impressed with Julie. She was an apple pie, rosy cheeked, all-American girl. I was very impressed with her. She was very smart.

Q: She came through our Embassy in [Athens] just about this time. She was the only person of a political cast whom I have known who came through and made a point of

talking to all of the local employees [of the Embassy]. She impressed everybody, including me. I always hoped that she'd run for some office.

SMITH: She's totally faded out of sight. Her husband, David Eisenhower, became a very successful author and wrote what is, perhaps, the definitive biography of his grandfather, President Eisenhower. David Eisenhower was an ardent baseball fan—more than a fan, he was a fanatic. He once told me that his really great objective in life—I think that he graduated from Amherst or Williams College, I can't remember which...

Q: Amherst College. I graduated from Williams, so that's how I know.

SMITH: Well, David Eisenhower wanted to be an announcer for the Washington Senators [baseball team]. That was his great objective. I don't know, but I think that he is writing the sequel to his biography of his grandfather. David and Julie were a great couple, and I really enjoyed them. To me it was sort of interesting for a Foreign Service Officer.

Q: To have a view of that world. You then came back to a world, which presented quite a contrast—back into the Economics Bureau of the State Department, dealing with textiles. How did that come about? This was in 1973.

SMITH: My tour was coming to an end over at the White House. Jules Katz, who at that time was the Deputy Assistant Secretary for Economic Affairs in the State Department, called me over and said, “Well, Mike, you've got to come back.” I had never met Jules and was absolutely terrified of the man, because he had a reputation for eating people alive.

Katz said, “I've got two jobs for you. One has to do with international monetary affairs and one has to do with textiles. Now what I'd really like to have you do is take the one dealing with textiles, but it's your choice.” As I was a good Foreign Service Officer, whenever your boss says he'd like you to do something, I said, “I'd like to do textiles.” I didn't know anything about the subject. So I was assigned back to EB [the Economics Bureau], to an office called EB/TEX, I think.

Q: The Bureau of Economics and Business Affairs.

SMITH: And this was the Textiles and Fibers Division of the bureau. The Office Director at that time was a guy named Harry Phelan, who is now dead. I was assigned as his deputy, with the understanding that when Harry moved on to his next assignment, which was scheduled in about a year's time, I would take over his job.

I had no idea of what I was getting into. I didn't know anything about textiles. Lo and behold, I came into this program and found out that we've got a massive quota restraint program around the world, all tied up in domestic politics, Nixon's “Southern Strategy,” Maurice Stans...

Q: Maurice Stans was the director of the Bureau of the Budget.

SMITH: No. He was Secretary of Commerce. As I came into the office in July, 1973, we were in the final stages of the negotiation of what is now known as the Multi-Fiber Textile Agreement, or MFA. This replaced the international agreement on trade in cotton textiles. The MFA obviously covered more than one fiber. Since the LTA [Limited Textile Agreement] had been negotiated in 1962, the textile trade in the world had changed or had evolved from simply covering cotton to wools, rayons, knit fibers, and things like that. The MFA negotiations were going on over in Geneva, under the auspices of the GATT [General Agreement on Tariffs and Trade], and so for my first five months, July to December, 1973, I spent one month at home and four months in Geneva, as the junior member of the U. S. Delegation, so to speak. This was an inter-agency delegation made up of representatives from Treasury, State, Commerce, and Labor, under a guy from the White House named Tony Jurek.

The objective, as part of a political campaign, was to reach an international agreement on trade in textiles which, in essence, would enable textile importing countries to restrain trade under certain conditions. The world pretty well knows about the MFA. There isn't

much for me to add. It was very interesting because it was my first introduction to a massive, multilateral negotiation.

The negotiations were very intense, with about 45 actively participating countries, ranging from Japan to Europe, the United States, India, Brazil, and a whole bunch of small players at the same time.

Q: How did this operate? You can't sit around a table. You have to work it out somewhere, but not at a...

SMITH: Obviously, you sort of “divide and conquer,” if you will. You work on certain groups, you have breakfast, lunch, and dinner meetings with like-minded countries or certain countries which are on the opposite side, and then there are plenary sessions. The plenary sessions were for show. All the real work was done behind the scenes. In the GATT they had what they called the “Seven Plus Seven”—seven major importing countries and seven major exporting countries. They met in a private chalet and actually negotiated out specific language. The language was actually provided by the United States to the GATT Secretariat—the drafts, so-called. They were called, “Papers from Heaven,” so that nobody was identified as the author. These drafts were circulated by the GATT Secretariat to the “Seven Plus Seven.” They would hammer out the compromises and things like that, line by line, provision by provision, article by article.

Sometimes, India would insist on one point in one article. Either the United States would negotiate that out with India or Europe or Japan would. Then they would bring it back, and it would all be agreed to, even though [theoretically] nobody had seen it before. So that was how the process worked. You don't sit around in a great, big room and negotiate agreements. You can't do that.

Q: You were sitting there, kind of like the “fly on the wall.”

SMITH: I was, indeed.

Q: Who was calling the shots?

SMITH: For the United States?

Q: For the United States.

SMITH: Tony Jurek from an office in the White House called CIEP [Committee for International Economic Preparedness], which, I think, has since been abolished. It was sort of a non-office, but it was set up within the White House, with some money from the Treasury to fund it.

The “shots” were really being called by Tony Jurek; Harry Phelan of State; Seth Bodnall of the Commerce Department, who reported directly to Maurice Stans; and Herb Blackman of Labor, who reported to whoever was the Labor Secretary at the time.

This MFA initiative, though it happened during the Nixon administration, had broad, bipartisan support. The textile lobby at that time was very strong. Both Democrats and Republicans courted the textile lobby, because at that time the textile industry was the single largest industry in the United States, employing almost three million workers. It was highly unionized on the apparel side, highly mechanized on the fabric side, involving 33,000 firms in all 50 states. It was a big industry.The White House was really calling the shots.

Q: Were there different points of view? Was the State Department playing the role, as it has often been accused of playing, of being more concerned about foreigners and was it considered not much of a “team player” because it didn't understand realities?

SMITH: Well, let's put it this way. They tried, but Harry Phelan from the State Department, a Foreign Service Officer, and Jules [Katz] had an understanding. In essence, Jules said, “Get this damned problem out of my hair.” This was screwing up a lot of things. It was souring relations between State and a lot of agencies and the White House, because

of State's reputation for “clientitis.” So Phelan and Katz had an understanding, just as long as it wasn't too obvious. Get an agreement and get the State Department off the hook. They didn't want any more problems with the White House, because President Nixon was very much committed to the textile industry in connection with the so-called “Southern Strategy.” He had made a commitment to the textile industry that they would get something. This was a 1972 campaign pledge, and President Nixon was determined to carry it out.

And you heard the “do-gooders” from the State Department and the Embassies overseas say that this would hurt the “poor Indians” or the poor whoever you wanted. Phelan and Katz generally said “cluck, cluck.” But there were some State Department officers who, in my view, were almost traitorous in what they were doing. They were “leaking” the U. S. position to the foreigners. We know and have evidence of that. They were actually taking SECRET U. S. instructions and showing them to the representatives of other countries.

Q: What was their motivation?

SMITH: Well, you know, they felt that U. S. industry was going to screw the Third World, or something like that. It was not a great day in the history of the Department of State. Jules Katz was very clever in not letting it get above him [in the Department of State], and Jules had impeccable credentials within the State Department. No senior State Department official, such as the Secretary or the Deputy Secretary, dared to cross Jules on anything. Jules wasn't a Foreign Service Officer, but he had a lot of support in Washington. He was a very strong DAS [Deputy Assistant Secretary of State].

At the time, just coincidentally, the energy crisis hit, as a result of the Arab-Israeli War of 1973. The Department of State had other fish to fry and wasn't about to incur the wrath of domestic constituents. So we “snuck” the MFA through in that period. However, in my view the Department of State and a number of its officers didn't understand domestic

politics at all. They couldn't understand what the White House was driving at. This was a big awakening for me.

Q: Why do you think this? I'm speaking as a retired Foreign Service Officer. I served under George Kennan, who never understood domestic politics, either. After all, we've all taken courses in government and we vote. Foreign Service Officers are people who read and pay attention...

SMITH: Let's face it. The average Foreign Service Officer is an elitist. He comes from an elite background, has never dirtied his hands on the [production] line, so to speak, in a blue collar job, is usually married to a sophisticated woman—and I don't mean to be "sexist" when I say this. In those days it was largely men who were the Foreign Service Officers. The wives usually graduated from "fine" colleges in the United States. Generally, Foreign Service Officers were from families of better means. They considered industry "beneath" them. Most of these guys had never been outside of Washington, during their professional career, that is. I'll bet that if you scratched the backs of five officers out of six, they had never been in a factory. Economic assignments were not the path to glory, in those days. And trade—my God! To be assigned as a commercial attach# in Paris meant being put out to pasture.

Do you remember the old thing about being an assistant commercial attach#? That was "Deadsville." So there were a lot of reasons for this attitude, including some of the old tried and true allegations of "elitism" and things like that. There was a lack of understanding that what paid their salaries, in essence, was the revenues which these companies were making. Many Foreign Service Officers never understood that. To this day, I don't think that they understand it. There were very few people in the Foreign Service who had ever been up to the Hill [Congress]. Only those in "H" [Bureau of Congressional Relations] had anything to do with the Hill. I used to think that the best thing that could happen to a lot of Foreign Service Officers would be to give them a year as an intern up on the Hill, where they have to worry about what the constituents' interests are. It's a humbling experience,

but Foreign Service Officers aren't humble. [Laughter]. They're very, very bright people, but, you know, they look down at the “spooks,” which is dumb. There are more Ph.D.'s among the “spooks”...

Q: “Spooks” meaning CIA people.

SMITH: Right. There are more Ph.D.'s in the CIA than there are in the State Department. Traditionally, Foreign Service Officers used to look down at the military. You look at the graduates coming out of the service academies. God! In many cases they are head and shoulders above Foreign Service Officers. Rhodes scholars, first in their class, you know. The Foreign Service had a sort of snobbism in it.

When I came into this textile stuff, we were sort of at the tail end of that. I had Foreign Service Officers tell me, in all honesty, that it was more important to understand what was happening in some provincial election in Bulgaria than it was to worry about the semi-conductor industry in the United States! They never really understood the economic might behind the political initiative is what makes the political initiative stick or not stick.

I know that this became very frustrating for the White House. I was in the White House for 17 months. I know that they just used to get just livid at Foreign Service Officers who would not even acknowledge that a business person, going out to a post and who wanted to see the Ambassador, was perhaps that Ambassador's most important appointment that day, or that week, or that year. The president of a major manufacturing company in the United States, when he wants to make an overseas investment and so forth, should have been wined and dined by ambassadors. I've known ambassadors who said, with pride, that they'd never met an American businessman. Well, that's tough, and the Service has paid through the nose for it.

You watch the way, since 1969, that economic functions or quasi-economic functions have been taken away from the Department of State, by the Congress. The “dumping” provisions, the Foreign Commercial Service, the Foreign Agricultural Service. There was

the Magnuson bill, there was a whole mass of views expressed by Congress that the Foreign Service really wasn't “behind” America. For example, there were the Timken's, the Caterpillar's, or whatever you call mainstream America outside the Beltway [i.e., outside of the Washington metropolitan area]. And it still is an attitude that lingers. I can tell you that, while a lot of businessmen respect Foreign Service Officers for their intelligence, they don't necessarily respect them for their “elitism.”

In my view, and to this day, that is something which the Service is going to have to be aware of. I'm not going to talk about cocktail parties where a Foreign Service wife will come up and say, “Why should we worry about this businessman? All he does is make widgets.” He has to meet a payroll and he has probably taken greater risks and shown greater daring—a lot of private business entrepreneurs—than any Foreign Service Officer in his entire life.

Sure, there is the Foreign Service Officer who leads the Americans out of a difficult situation in a Third World country. He gets the headlines. Or somebody like Ambassador Bob Oakley [in Somalia], or someone like that. But the everyday business person in the United States who has to meet a payroll, make and market a product—that takes another sort of courage, which Foreign Service Officers have never understood.

Q: Well, after you finished this set of negotiations, then what came next?

SMITH: We successfully concluded the multilateral talks.

Q: The delegation came back to Washington and said, “We did it.”

SMITH: We came back. It was awful. We came back on December 21, 1973. There was a major snowstorm. We thought that we'd get a hero's welcome, but we ended up at Dulles Airport in a snowstorm, without our luggage. Of course, Pan Am had lost all of our bags. This was four days before Christmas. We arrived at Dulles Airport. There were messages from wives: “The snow's too heavy. Sleep out at the airport. See you tomorrow.” After

being over there in Geneva for four months. We finally got somebody to get a jeep and take us home.

I arrived home just after midnight on December 22. I had only a briefcase. It was freezing cold. Snow this deep. My wife looks out the window, sees that it's me, and sort of reluctantly opens up the door. It was the same for all of us. We were exhausted, elated in a way that we had done something which nobody said that we could have done.

I can remember calling Pan Am the next day, because, since I had been abroad for four months, I had bought all my Christmas presents for the kids. And they were all in my suitcases. I called Pan Am and said, “Look, I've been overseas for four months.” I didn't dare say that I was in Geneva, because I wouldn't have gotten much sympathy. I said, “All my Christmas presents for my kids are in my luggage. Where are my suitcases?” The Pan Am guy says, “Well, I'm sitting here in a depot at Kennedy Airport. There's a mountain of bags here. Can you identify your bags over the phone?” I said, “My bags have red, white, and blue tags on them, marked 'U. S. Delegation.'” Would you believe it? He said, “I see them.” And he said, “There are over 5,000 bags here. I happen to see these three bags. I'll put them on the airplane for you tonight.”

So I went out to Dulles Airport—back in the damned snow. And, by God, two days before Christmas, all the Christmas presents were there. Well, that's what made Christmas!

Well, to go back to work. In 1974 what we had to do was to take all of the existing, bilateral textile agreements, which we had negotiated under the old LPA [Long Term Arrangement Regarding the Trade in Cotton Textiles] and update them to fit into the new MFA, the Multi Fiber Agreement.

So we started a series of major negotiations with the “Big Four” at that time—Japan, Korea, Hong Kong, and Taiwan. Those talks were held in Hawaii, Japan, Korea, and Taiwan. They went on for about six months. By that time, the middle of spring [1974], my boss, Harry Phelan, went to Geneva to become the U. S. Representative to the Textile

Surveillance Party, which was created as an international surveillance mechanism under the MFA. So I became the head of the Textiles Division but was not head of the U. S. Delegation, because Tony Jurek [from the White House] was still the head of delegation. However, I did all of the liaison between the Department of State and the delegation.

Of course, once you get down to the bilateral stuff, where you're talking real numbers, that's when all of the “clientitis” of the various Embassies overseas came home to roost. Nonetheless, we negotiated all of these agreements. We probably negotiated 10 major bilateral agreements in 1974. Then, in early 1975 we took a nine-week trip to 17 countries and negotiated 17 bilaterals in that period. We went everywhere, ranging from Malta to Colombia, Romania, Spain, Malaysia, and the Philippines. We were gone for nine weeks.

Q: How could you go there? Were you bargaining from strength?

SMITH: Yes. Actually, the United States was the biggest market.

Q: So what did you do? Did the local U. S. Embassy make the arrangements, or were they handled in Washington?

SMITH: No. We'd go there. After we learned that some of our positions were leaking, we never sent any cables to the Embassies. We'd arrive in a given country and just used the Embassy to set up the meetings. They had no idea what we wanted.

Q: It was “hostile territory?”

SMITH: It was very hostile as far as the Embassy was concerned. We had to have the first, obligatory meeting with the Ambassador, at which he would point out the very special relationship which “his” country had with the United States, which was different from any other country you ever heard of.

What we did was go to a country and meet with these [textile] people. With most of these countries we already had bilateral agreements, so it was a question of updating them. We

had leverage in the sense that it was our market—ours was the biggest textile market in the world. My job was really to be sure that the [U.S.] Commerce and Labor Departments didn't try to “stick the sword” in too deep, because I was aware that the United States had a bigger role in life than just “screwing people.” I was able to be effective in that position. We always had U.S. industry representatives with us. They always accompanied us, and we affectionately called them the “sharks” or the “crocodiles.” They were not in the room where we met foreign representatives. The U.S. industry representatives began to trust me a lot. They accepted that I was not going to undo the impact or the effect of what was intended by the bilateral agreements, and that was to restrain the flow of imports into the United States. But at the same time I wasn't going to go out and “screw” Company X, Y, and Z.

So during this 11-week trip, during which we negotiated with 17 or 18 countries, the U.S. industry representatives were with us the entire time. We would arrive in a country and set up a meeting for three days. Then, bang, off to the next country.

We were successful. In 1975 we negotiated the first agreement with Egypt, with the post-Nasser regime. It was sort of interesting. All of the members of my delegation were Jewish, except me. Here we had the Egyptians sitting down with my delegation. The Egyptians knew that they were Jewish. They always called each other “brothers,” because they were all Semites. We got a reputation which was different from that of the Europeans by negotiating fair agreements with the supplying countries.

During that 11 week trip I came home once, for one day, to pick up a new suit of clothes and see how the family was. A tree had fallen down on my house. So I got Jules Katz to allow me to come home to be sure that the roof could be fixed. Then I went back out on the trip. They were finished in June.

Then I was supposed to go off to the National War College, or the Naval War College —I can't remember which one. So I went up to Marblehead [MA] and took a week off. I

was just totally “wrung out.” Then I got a call from Jules Katz, asking me to come down to Washington immediately. I said to him, “On whose nickel?” He said, “Oh, my nickel.” So I got on an airplane and flew down to Washington to see Jules. He said, “Would you please go over and see Fred Dent,” who, at that time, was the U.S. Trade Representative and an ex-Textile Division guy. So I went over to see Fred Dent at the USTR [Office of the U.S. Trade Representative]. Dent said that they wanted to make me the new chief textile negotiator, replacing Tony Jurek, who was leaving. The job would have the rank of Minister. Would I take it? I said, “Well, what does Jules say, Mr. Ambassador?” He said, “Jules says that you should take it.” I said, “Yes, Mr. Ambassador, I accept the job.”

So I went back to Marblehead, went sailing for a couple of days, went back to Washington, and moved over, right away, to USTR as the chief textile negotiator. That's what I did from July, 1975, until September, 1979.

Q: I'd like to go back for just a minute to the time when you were doing these bilateral, textile agreements. Were there any particular countries that were especially difficult?

SMITH: None of them was easy.

Q: I mean, in terms of their approach...

SMITH: It's a good question. [The Republic of] Korea was difficult because the Koreans negotiate right up to the airplane [on which you are leaving the country]. They are very tough to negotiate with. Not that they're not very smart. They're very tough to negotiate with. I don't want to talk about China. The Brazilians were very tough to negotiate with, because they are so damned good. The old saying goes, “The Brazilians have the finest Foreign Service in the world.”

Q: I've heard that.

SMITH: Certainly, in textiles they were damned good. Countries like the Philippines are hopeless. They were inept. The Malaysians were pretty good, but the most agile people were from Hong Kong. They were creative. They can negotiate, they can work their abacuses across the table. They were incredible. The Japanese couldn't go to the bathroom without clearance from Tokyo. In those days the Mexicans were impossible. This was the height of their “import substitution” policy. They and the Indians were the worst. They would say, “What have you done for the developing world today?” The Pakistanis were pretty good. The Romanians weren't bad. The Poles were helpless. The Portuguese and Spaniards were nothing to write home about. The Taiwanese felt that we were “dumping” on them and that they didn't have any friends in the world. The Singaporeans were straightforward and businesslike in the negotiations. The Thais would look at you with pleading eyes and say, “You can't do this to us.” They were very smart. They had a very famous negotiator, in textile terms, a woman named Madame Borigant. She was, perhaps, the most strikingly beautiful woman I've ever met in my life. She was dressed like a queen. She would come into these negotiations, look at me, and say, “Oh, Ambassador Smith, I have all of these industries that...” and with these big, brown eyes looking at me.

But the Brazilians were probably the ablest negotiators that we ever met. That was repeated, not only in textile terms, but also when I became Deputy USTR. It didn't make any difference what the issue was. The Brazilians were on top of their brief—all the time.

Q: Did you find yourself up against “gut” anti-Americanism?

SMITH: Never.

Q: This was business?

SMITH: This was business. The Koreans, for example, would arrange, in the Cho Sen Hotel, that we would be besieged by demonstrators. But it was all “cooked up”—you knew

it was. The Koreans are sometimes so dumb, or they used to be so dumb. Of course, it was a dictatorship then. That's when the curfew was on and you had to be in by midnight.

But I never saw anti-Americanism. They knew that we had an industry that was troubled. Our market wasn't open, and we were running a trade deficit of $8.0 billion in the textile sector. This was in the 1970's. It's $30 billion or something like that now. But when the quota we gave to Hong Kong for sweaters was 7.5 million dozen, that's not a quota.

Q: That would pretty well take care of 90 million sweaters. [Laughter].

SMITH: We weren't really being too tough. What we were trying to do was a very difficult thing. It was sort of ironic because I was in the USTR then. We were trying to have “orderly” trade, which sort of flies against the GATT or flies against liberal trade thinking. But we had a real problem domestically. Had we not kept the [U.S.] textile industry reasonably happy, they had the “clout” to upset every other initiative of succeeding Presidents, both Republican and Democratic, in the trade area—the Tokyo Round, the Uruguay Round, you name it. So you sort of had to “buy them off.” So who paid the price? Well, the foreign textile producers paid a little bit of the price—and the U. S. consumers paid a little of the price. But they didn't pay that much of a price. That's a “trade-off,” eh?

As a Foreign Service Officer, I had to go to Indonesia and places like that. Some Ambassadors were very good—Ed Masters, for example, in Jakarta. He would pull together his economic and political people and he would say, “Now, Mike, tell them what the real world is about.” These Foreign Service Officers' eyes would open when I would say, “You know, you have to live in the real world. The President can go no further than the political support he has on the Hill. Just because he's commander in chief doesn't mean that he can command all the troops, because the Congress can just cut off the financing, and he's out. And the same thing goes in trade.”

To me this textile job was the single best job, in terms of education, that I ever had. It didn't involve the loftiest of goals. I was known around the world as the “scourge” of

the developing world, the “curse” of the Third World countries, and all of that. When Smith came into town, it meant that somebody was going to be restrained from exporting textiles to the U.S. I made 60 trips to Hong Kong, 100 trips to Tokyo, dozens of trips to the Philippines, Malaysia, and Thailand—all over the place. I almost caused the fall of the government in Colombia. But what we did, we tried to do honorably.

That was my role in State, when I was a member of the textile delegation and when I was in the USTR. Everybody knows the Foreign Service Officer. The U.S. textile industry, which encouraged my appointment by the President to be chief textile negotiator, knew where I was coming from—my liberal background. But I kept the faith, both to State and to the textile industry. It was a dicey thing. That object over there was given to me by the textile industry of the United States. [Shows a testimonial.]

Q: That's a series of stamps on a collection of boats.

SMITH: When I went out to Geneva, they had a big, farewell dinner, with over 300 people invited from the textile industry across the country, thanking me for what I did.

Q: When you were with the U.S. Trade Representative, your duties initially concerned...

SMITH: Textiles, for four years.

Q: This was toward the end of the Nixon administration, wasn't it?

SMITH: In 1975, when Tony Jurek, the chief textile negotiator, was leaving—he was not at USTR at the time. He was at CIEP. The President, by executive order, essentially abolished CIEP and said that, henceforth, the head of the Textile Office would be assigned to the USTR. At the time it was “STR,” or the Office of the Special Trade Representative, because it didn't become USTR until the Trade Act of 1979. So I went over to USTR on detail from State in 1975, during the Ford administration. I stayed there through 1979—through a good part of the Carter administration—in that job.

Q: While you were there, did you have any feel for how Kissinger viewed trade?

SMITH: Ah, Kissinger didn't know anything about trade.

Q: He was worse than Foreign Service Officers.

SMITH: Oh, no. He didn't have “clientitis.” He just didn't know what it was about. There was a famous statement about this. Tom Enders was Assistant Secretary of State during one of the Kissinger periods. Kissinger said one thing about oil, and Enders something else. So they asked Kissinger what his reaction was to Enders' statement, and he said, “My friend Enders and I don't always agree on economic things.” Enders is reported to have said, “The reason we don't agree on economic things is that Kissinger doesn't know anything about economic things.” And he didn't. He relied on Bill Casey...

SMITH: Though not at the time. Casey was Under Secretary of State for Economic Affairs. But we had no involvement with Kissinger. Ironically, textiles were a big question in U.S.-Japan relations. It was one of the big “shockus” [shocks] of the 1971-1972 period. This was the time of the Okinawa Reversion Agreement, the China overture, the textile agreement, the soy bean embargo, and that sort of stuff. Textiles were an important issue in Japan. After all, in the early 1970's textiles were Asia's major export to the United States.

Q: With the advent of the Carter administration, did you see any change in attitude as far as trade policy went?

SMITH: No, not really. You might have thought that trade policy might have been more pro-union, but the Carter people finessed a lot of that. First of all, they put Robert Strauss in as trade negotiator—that is, as the Special Trade Representative. Strauss is the consummate operator among politicians in this town. He could sell you the Washington Beltway, and you'd feel that you were getting a bargain—or even sell you City Hall, and in this town you'd still feel that you were getting a bargain. He had enough bravado that he

could face down the Blumenthal's or the Cyrus Vance's in one's life. He ran trade policy. President Carter trusted him implicitly on trade policy.

Strauss came in to take over the Tokyo Round [of GATT negotiations]. The Tokyo Round had been held in abeyance during 1975-1976, because there were disagreements on agriculture between the United States and the European Community. But that was nothing new. Strauss came in in 1977 and said that we were going to solve this issue. He said that, in essence, we were going to take agriculture out of the Tokyo Round and were going to finish this negotiation in a year. He did this. I was intimately involved in it because of textiles and all that sort of thing. Then he came back to Washington, so to speak, “sold” the agreement up on the Hill, and was irate that there were two votes against it in the Senate and four votes against it in the House of Representatives. Then he went off to become Middle East peace negotiator.

It wasn't until the Clinton administration that trade became a partisan issue. By and large, U. S. trade policy has been the same since World War II. Generally, the objective has been to move further and further toward liberalization. It's been generally bipartisan, whether there has been a Republican or Democratic CEA [Council of Economic Advisers], whether Charles Schultz for the Democrats or Barrett Bellsprinkle for the Republicans, or whoever it was. Trade policy for the United States since World War II has been apolitical, always seeking to liberalize trade to a greater extent. Trade never appeared in any electoral campaign until the Clinton administration.

Clinton campaigned on NAFTA, and look at the whirlwind he reaped.

Q: NAFTA is the North American Free Trade Agreement, which, even as we speak, is up for a very critical vote today.

SMITH: The reason is that for most Congressmen and Senators, until the mid 1970's, foreign trade was a very small part of the Gross National Product [GNP]. But, because of the oil crisis and a number of other reasons, trade went from about five percent of GNP

to about 20% of GNP, which is where it is now. You know all those lovely phrases, like “interdependent world.” But it's true in the sense that, over the past 20 years, there's been an explosion in U. S. trading interest around the world. So trade has become politically a more sensitive issue.

However, in trade terms the Carter people were just like the Nixon and Ford people, following straight down the line, pro-GATT, pro-trade liberalization, favoring the negotiation of better agreements, and so forth. That continued on during the Reagan and Bush administrations.

Q: You were involved in a broader area of issues. How about dealing with the French?

SMITH: The French were impossible. The French are very clever, very elegant. But they're protectionists in trade terms. And devious. They are intellectually very astute and also very arrogant. In my experience over 25 years of trade negotiations the French pine for equality and don't have it. They want to be treated as equals. In some aspects of international economics the French are very good. Their commerce in trade and services is second only to that of the United States. They have a huge service economy. However, they're always looking at the Germans. They're very much afraid of the Germans.

I can only speak from the experience of the last 20 years or so, covering largely trade issues. The French love elegant, complex models. They are not free traders. It makes no difference whether their government is to the Right or to the Left. The French like the fact that the state—Paris—is going to solve everything. They've also got this damnable insistence that they speak French. Nobody else speaks French [in trade negotiations]. Yet, one of the languages at every international meeting has to be French. It's this elitism, this snobbism, which is silly. If only we could all just speak English! When I say this, I don't mean to be “Joe Slob” here, but English is the “lingua franca” of the world. Seriously, we could cut down the time spent by avoiding translations.

The French are a puzzle, but they are very creative. They come up with all sorts of drafts, and at the end of the day they are like the Brazilians. They know exactly where their national interests are.

In that regard, one of the problems with the Department of State and Foreign Service Officers is that most Foreign Service Officers do not know what the position of their country is on any given issue—except, perhaps, the issue that they're working on. And even then I'm not sure that they know. I've made this recommendation to the Foreign Service Institute, I've made it to the Inspector General of the Foreign Service, and I've gotten nowhere. There is no system for conveying our position, from the Secretary of State on down—for saying that this is our position on this or that issue. Instead, they turn it over to the Bureau of Public Affairs to issue some of these little “poop sheets,” which is just so much “pap.”

The French know what their position is. The Brazilians know what their position is. If there was any one thing that I was going to do, if I ever became Secretary of State, I was going to be damned sure that every Foreign Service Officer—all 3,600 of them—knew exactly what the positions of the United States were on every issue that they were likely to face, in clear, unmistakable terms. That doesn't happen. The French know their positions, and the Brazilians know theirs.

I don't know if the Japanese know their positions. The Japanese are very compartmentalized. However, in a way, the French are the problem child of Europe. The British are a problem child, in a sense, because they are holding on to an older era. They're no longer the trading force that they used to be. Of course, the big problem, the big question mark in Europe is Germany.

Q: I was wondering about that. Here Germany has been an obvious economic power, but, at the same time, you don't have the feeling that it's throwing its weight around. How did you treat Germany?

SMITH: They are two sided. The Germans talk about the good things, how they want to help out the Third World. They're like the Scandinavians in that respect. However, when it actually comes down to trade liberalization, they put on their “anti-gypsy” type of attitude. In this case it is “anti-product.” Everybody talks about the French being the big problem in agriculture. The Germans have been hiding behind the French skirts for two decades on this issue. The Germans are as recalcitrant or protectionist on agriculture as the French, and maybe more so.

But you're right. You've identified the problem. The Germans have not exercised the power that you would expect the “super power of Europe” to do. Now, they may do this for a lot of reasons. They may not want to look as if they're establishing the “Fourth Reich,” and all of that. The Germans don't carry their weight.

Q: Is this a “good thing” as far as you're concerned?

SMITH: Yes. However, on the other hand, we need an interlocutor. The French are not a real interlocutor. The British used to be. In the old days, in the early to mid 1970's, whenever there was a problem in Europe, you could go to the Germans and the British. They would work it out so that the Europeans got off their neo-protectionist attitude and got back into the main stream of liberalizing trade. Today there is no Helmut Schmidt [in Germany] and no Margaret Thatcher [in Britain]. So you have this curious situation that the French—for example, a bunch of farmers in the Jura region—are holding up the world trade system. Now, in the old days the Germans would have quietly called the French and said, “Hey, look. Enough's enough. You've made your point. Now let's go on.” That situation doesn't augur very well for the future.

Now, I understand the French. They're very nervous about the Germans and they see the handwriting on the wall. Germany is going to dominate Europe. But if, at the end of the day, they weren't so—not anti-American, but they're not pro-American. The French love us as a people. In a way, they hate us as a country. I lived in France for four years, out in

the country. They talk to us with great affection of World War II, the Marshall Plan, landing people on the Moon, the cowboys, and all of that. They love all of that. But at the end of the day, at least in cultural circles, they think that we're a bunch of boobs, when, ironically, if there's any culture anywhere in the world today, it's located in the United States—not in Europe and certainly not in Paris.

Q: Moving on to another group of people who are difficult. Take the Canadians. In all of my interviews, when I bring up negotiating with the Canadians, people roll up their eyes.

SMITH: You know what the problem with the Canadians is? They whine.

Q: They say, "Poor, little me..."

SMITH: I have never heard such whiners in my life. You know, the only thing we have in common with the Canadians these days is that we speak the same language. But I have never, in my whole life, seen people with such inferiority complexes. I remember that another Foreign Service Officer used to tell me that what he disliked about the Canadians is that they whine. Still another Foreign Service Officer used to tell me that a major problem for the United States is that it is bordered on either side by Canada and Mexico. Mexico has changed for the better. I'm not sure that Canada has. Canadians are insufferable sometimes—absolutely insufferable. They recognize that in economic terms they are a medium-sized power. The only way that they can get equality with the United States is, if you will, by asserting themselves in places like the GATT or the Quad Process, as if they were equal to the United States, Japan, or the European Community. So they are very active in the GATT and other, multilateral negotiations, where they assign their best and their brightest. In these contexts, if you will, Canada can take its place at the same level as the United States.

American Presidents dutifully bow and scrape to Canada. The first two trips that any American President has to make is to Canada and Mexico. In reality, those are not the facts of life. Canadians are fun, but they whine. They have this nasal twang. I don't have

anything against them, and generally they think much along the same lines as we do. They talk about capitalism, but they have these intricate subsidy arrangements, without which they would go under. Fighting them is like fighting a Kodiak bear. They are funny people. The only thing that I can say is that I had the same reaction that others have: people roll their eyes when you talk about the Canadians.

Q: What about the Soviets? We're talking about what is now a defunct species. But in those days...

SMITH: Well, I didn't have that much to do with the Russians. I had something to do with them, but not that much, because Russia wasn't in the trading system. It didn't have anything to trade. It was all done through state trading organizations. The normal trading person in USTR or even in EB in the State Department didn't have much to do with them. When we did, we couldn't get over the kind of boobs they would send—these guys with trouser cuffs a foot wide, in suits that looked as if they had come out of the Beria days [a reference to Lavrenti Beria, head of the NKVD—secret police—under Stalin]. Their clothes looked like those that Khrushchev used to wear. They were not as smart or as well informed as you might think they would be. However, they had the reputation that, once they made a contract, they kept it. You had a sense that they never smiled. Of course, they didn't have much to smile about. It's like a smiling Swiss—it's an oxymoron. You never knew where the Soviets were really coming from.

Then, of course, you had all of these intelligence agencies, telling you, “Hey, you've got to be careful whom you talk to them,” and all that sort of stuff. What was this all about? There were no secrets. There was one story, allegedly apocryphal, though I'm not so sure that it's really apocryphal.

The old U. S. Mission in Geneva used to be on the Rue de Lausanne, one of the main thoroughfares. Proctor and Gamble put up the building. The U. S. Government rented it. The Soviet and the British Missions were down the street. The story is that one night a U.

S. intelligence operative pried up a manhole cover in the Rue de Lausanne, went down the sewer and followed the telephone lines. Then he met his Russian and British colleagues. They were all tapping each other's telephone lines.

In trade terms the Soviets were not players. They still are not players. I think that their “conversion,” if you will, to “capitalism” or to the market system is going to be very slow. They don't have the faintest notion of what they're talking about.

Q: I've just come back from one of their colonies. They've got a long way to go.

SMITH: They've got lots of resources and technology. They have a lot of potential, but people have said that about Brazil for the last 400 years. People have been saying that Brazil is the country of the next century.

Russia has lots of potential, but in trade terms, getting something from the bench in the factory to the marketplace is going to be a big problem for them.

In the 20 years I was involved [in trade negotiations] we reached some agreements with them on certain commodities and on energy issues. The Soviet Union wasn't a member of the GATT. In more recent years they started seeing the European Common Market, not as a threat but also as a possibility. [Earlier], they railed against the Common Market. That's about all I can say about them.

Q: What about the development of ASEAN [Association of Southeast Asian Nations]?

SMITH: Bill Brock [former Special Trade Representative] and I strongly promoted getting the U. S. Government actively to support the development of ASEAN. We wanted to keep it in the economic area—keep Cambodia and Vietnam out of it. That is, keep the Vietnam issue out of it. The ASEAN countries have great potential, obviously...

Q: What are the countries that belong to ASEAN?

SMITH: Singapore, Malaysia, Indonesia, Thailand, the Philippines, and Brunei—but Brunei doesn't really count for much. It just produces oil. The “sick man” in ASEAN is the Philippines. The “husky man” is Singapore. The country where the overall boom has been the biggest is Thailand, though the boom may be withering a bit, because of pollution and other problems. Indonesia has great potential. Malaysia has the best-balanced economy.

ASEAN is an important Asian factor, but in global terms it is to Japan and China what Canada is to the United States. It's important, it's a good bridge between the various factions, but, in itself, it's not going to determine, one way or another, which way Asia goes. Nonetheless, the ASEAN countries are generally friendly, they are market oriented, and they are very aggressive. They've let the computer revolution hit their countries well. They have a lot of corruption and venality—not in Singapore, but the other countries are very corrupt.

ASEAN is something the United States should have links to. In 1982 Brock and I proposed that we negotiate some kind of linkage between the United States and ASEAN. We got AID and the ASEAN aid agencies to do a study on what could be done. I think now, if NAFTA passes, you'll see coming out of the APEC [Asia Pacific Economic Council] meeting this weekend that the Clinton administration is going to move toward some system of Pacific Ocean alliances, at the expense of Europe. ASEAN will play a role in that.

The center of APEC, which is a 16 or 18 nation group, is in Singapore—not without reason. Singapore is sort of the capital of ASEAN, although they have to be very careful because there is such diversity of development stages. The great question right now, in terms of ASEAN, is the Philippines. The Philippines is really in very bad condition.

Q: Going back to the 1970's or 1980's, when you were dealing with...

SMITH: I'm dealing with ASEAN up to this day.

Q: But did we look at ASEAN as a "good thing"? As we did with the European Economic Community? Are we concerned that these regional organizations might turn on themselves and become closed markets that we couldn't get into?

SMITH: Let me hit the EC first. I was one who, in my 10 years at the policy level, kept trying to tell the Department of State, the NSC [National Security Council], and the pro-Europeanists in general, if you will, that the EC was not necessarily a good idea for us, if carried to an extreme. Now, the United States, in trade terms and for 20 years, not only has been the primary foreign backer of the EC, but, in many ways, has advanced the EC cause, although the EC never gives us credit for that.

Q: Oh, absolutely.

SMITH: The EC is in our interest, you could argue. You could say today that the EC is the chance of a millennium, with the borders disappearing. The problem will be when the EC turns inward. I think that there's a real risk of that. One reason for that is that, as we supported the EC, we did not make it very clear to them that the butter on their bread largely depended on our good will. They were never willing to recognize that. I don't think that there's any question that the Atlantic Alliance is "frayed" today. I don't think that there's any doubt that this sort of "dirigisme" [government-guided economies] that the Europeans love, or centralism, is really still there. They only give lip service to deregulation or decentralization.

Now, why do I say that? Because with ASEAN or the Asian Pacific Rim stuff I think that everybody is aware that we don't want to create a kind of Brussels. Nobody in Asia wants a Brussels. The Japanese might, because...

Q: You're talking about Brussels as the headquarters of the EC, meaning centralized bureaucracy, controlling all sorts of things, and so forth...

SMITH: Right. Nobody in Asia wants that. In public they'd never get it, because there are too many different types of nations and nationalities, races, and so forth. So I don't think you have the same sort of parallel between Asia and Europe.

I happen to think that becoming closer to Asia is very much in our interest. It is the one, “right thing” that the Clinton people have done.

If I may backtrack, when Reagan was President and George Shultz was Secretary of State, the movement toward Asia was very real. You could say that they both came from California and their vision was Westwards, not Eastwards. Shultz couldn't stand the Europeans. Reagan couldn't abide them. There was a natural affinity of Reagan and Shultz toward Asia. United States trading interests were the great beneficiaries of that. Even at a time when U. S. overseas investment was going down, because of the scare of the 1970's, with the petrodollars, the Mexican debt problem, and all that, the trade liberalization movement in Asia was such that, for the decade of the 1980's, our exports to Asia were increasing at a double digit rate. Today our trade with Asia is considerably larger than trade with Europe—both our exports and our imports, not just our imports. Some people forget that.

So it's not just the “Pacific Decade” that's coming up, or the “Pacific Century.” We are a Pacific power. Europe isn't. You could argue that we are the dominant Pacific power. California understands that. So does Seattle, or Washington state. And Shultz understood it. Things began to change for the better in the Department of State when Shultz was Secretary, even though he could “zap” me, and he often did.

Q: This is when you were deputy representative to GATT.

SMITH: That, and more importantly, when I was Deputy U. S. Trade Representative. I'm getting a little ahead of the story, but you asked an interesting question. The movement toward Asia, and away from Europe, began during the Reagan administration, not now.

What happened with President Bush was that he was of the Eastern establishment. So, we used to have a saying: “Bush was interested in China because he wanted to be and was interested in Japan because he had to be. The rest of Asia, he couldn't care less about.” The Asians recognized that. Relations with Asia during the tail end of the Bush years were deteriorating. So much so that Prime Minister Mahathir of Malaysia still won't speak to the United States. But that's another story.

Anyway, now President Clinton has said, “Our future, in essence, lies with Asia.” He is essentially right. Therefore, entities like ASEAN are very important to the United States. Entities like getting the three China's together are very important. We've played an important role in that—getting Hong Kong, Taiwan, and the People's Republic of China [PRC] to sit in the same room, at the government level. That's happening. It happened first in the Pacific Economic Cooperation Council, of which I am a member, and now it's happening in APEC, the Asia Pacific Economic Conference. The implications for the United States are—and this is in the post-Soviet world, where we don't have to worry so much about Pacific bases and Clark Field and...

Q: You're talking about Pacific military bases.

SMITH: Right. How does the United States stay interested in Asia? It has to stay interested in Asia, because that's where our export growth is. It's as simple as that.

Q: Moving on, then, to your next assignment. You left the USTR office on textiles. We're talking now about the period up to 1979.

SMITH: In 1978 the position was raised to the level of Ambassador. So I was chief textile negotiator of the United States with the rank of Ambassador. In August, 1979, I was supposed to go off to, would you believe, the Senior Seminar [in the Department of State].

So, I said goodbye to USTR, got my little beanie cap and my little green bag, and went over to the Foreign Service Institute in Rosslyn, VA. I got there on a Monday morning,

dutifully reported in, and was looking forward to a year off. On that same Monday afternoon I got a call from Ray Marshall, then Secretary of Labor. He asked me please to come down to his office that afternoon at 4:00 PM. No purpose of the call was mentioned. I said, “Absolutely, Mr. Secretary, I'll be there.”

The Senior Seminar didn't like the fact that, on the very first day of the course, I was already going downtown. I went down to the office of the Secretary of Labor. He said, “Will you please wait here for a moment?” I waited there for five minutes, and in came Governor Ruben Askew, who had just been nominated by the President to be U.S. Trade Representative. Governor Askew asked me if I would be his deputy in Geneva, that is, the head of the Geneva office. I said, “Well, I've just started over at the Senior Seminar at the Department of State. When do you want an answer? Can I give you an answer tomorrow?” He said, “No, I need an answer right now.” So I said, “Yes, I will.”

So I went back to the Senior Seminar [and told them that I was leaving]. They asked me, “Why do you want to become an Ambassador in Geneva as Deputy U. S. Trade Representative, when you could spend a year here?” Well, you know, not many guys get to be an Ambassador. That was 1979, and I was 42 years old. I said, “Because the President wants me to.” So I left the Senior Seminar the next day and went back to the USTR—still on detail from the Department of State. [Laughter].

In the Trade Act of 1979, which approved the Tokyo Round of GATT negotiations, it was stated that there should be established in Geneva a USTR office, separate from our regular diplomatic mission. The officer in charge of the USTR office in Geneva would have the rank of Ambassador and would be accredited to the GATT. He was to be physically and substantively separated from the diplomatic mission. That was further evidence that the Department of Commerce did not trust the Department of State. They didn't want the USTR office anywhere near the Embassy. To make a long story short, I went over to Geneva, established an office, which is still there and still the one we use for the USTR. It is literally opposite GATT headquarters and is the best office in town. I became the

first U.S. Ambassador to GATT and actually signed the Tokyo Round agreements. I was the only commissioned officer left in USTR to sign the Uruguay Round. I signed it, actually, as chief textile negotiator. Askew hadn't been confirmed, I hadn't been confirmed as Ambassador, Hormats hadn't been confirmed. All of the old team had resigned, so I was the only one who still had my textile commission, or, rather, my Foreign Service commission, with which I had signed the Tokyo Round agreements, then the most important trade negotiations ever conducted.

I set up the office and, in December, 1979, Bob Hormats and I were confirmed as Askew's deputies. Hormats became the Washington deputy, and I became the Geneva deputy, under Ruben Askew, one of the most decent guys you've ever met in your life. He is a real teetotaler. Didn't smoke, drink, or swear.

Q: He had been Governor of...

SMITH: Florida. He was sometimes mentioned as a potential presidential candidate, but he didn't smoke, drink, or swear. There was one famous story. In those days I used to smoke. I certainly drank. I haven't had a drop of alcohol for 10 years now, but in those days I drank. There were Hormats and the General Counsel, a guy named Bob Cassidy. Hormats didn't like to wear shoes. So one day we had to go and see Governor Askew about something. We went into the governor's office, Hormats with no shoes on. Cassidy always had his tie loosened and a cigarette hanging out of his mouth. He went in like that. I went in there with a cigarette or pipe—I can't remember which. Askew looked at the three of us. You could see him shaking his head. Askew didn't have a thing on his desk. He was meticulous. He looked at us and said, “This is a sorry state of affairs. My three lieutenants smoke, drink, don't wear shoes, and can't keep a tie straight. This is the last time I'm going to make that comment.” Needless to say, we shaped up.

There was another story about Governor Askew. Hormats and I had been selected by him. He went back to Florida and then came back to Washington, DC, the following week. It

was pouring rain. He said that he wanted to have lunch with us. So Hormats and I said, “Okay, of course, Governor. We'll meet in the lobby.” In those days we were over at 1800 G St., NW. So we met him in the lobby. There was his chauffeur-driven car standing outside. We hopped into the car with him in the pouring rain. We drove over to where the Sans Souci Restaurant used to be—opposite the new EOB [Executive Office Building]. Hormats and I looked at each other and thought, “This is style.” We got out and headed over to the Sans Souci Restaurant. Askew headed next door to a McDonald's restaurant! [Laughter]. Here we were, in a chauffeur-driven limousine, going to a McDonald's. I had never been in a McDonald's in my life.

Q: For the historians of the future, McDonald's is a chain of fast food restaurants, around the United States and around the world.

SMITH: So we went in and got one of these God-awful hamburgers and had to stand up at one of those counters. That was our first lunch with Governor Ruben A. Askew. It was something to remember.

Q: What were the main issues that you were dealing with in GATT? In the first place, how did you find the organization?

SMITH: It was moribund and tired at that time, and we had to push hard to get it back into shape. My fundamental job was to implement the Tokyo Round. There was a lot left undone from the Tokyo Round, a lot of loose pieces that had to be pulled together, and a lot of implementation that had to be done. So for three and one-half years it was a grinding job of taking the Tokyo Round Agreements and putting them into practice. And particularly the thing called, “The Codes,” which was a new aspect of GATT. There was the Substantive Code, the Dumping Code, the Civil Aviation Code, the Meat Code, the Dairy Code, the Standards Code, the Licensing Code. There was a whole bunch of codes which were negotiated separately. They thought in the Tokyo Round that trying to negotiate everything and force it into the GATT as an integral part of it would have opened

up the whole GATT to amendment. They didn't dare do that because of the developing world. They would develop these little codes, which were these red books here [Shows them on a bookshelf.], like the agreement on trade and civil aircraft, published in Geneva, 1979. These were negotiated as agreements which were part of the GATT, but not part of the original text of the GATT. They all had to be implemented—committees, disputes, and all of that. So that was the first thing that I did.

The second thing that I had to do was that I had to act as U.S. Trade Representative during the transition...

Q: This was the transition from the...

SMITH: Carter years to the Reagan years. After Reagan won the 1980 election, Askew was out of there the next day, in November, 1980. Hormats was there for a while, but he was angling for a position in the Department of State, under the new administration. So I came back and, in essence, was running the Geneva and Washington offices of USTR. I didn't know what was going to happen to me. I was in a political job. So in addition to implementing the Tokyo Round, I was doing a lot of bilateral negotiating, including the matter of automobiles. The automobile restraint agreement didn't start under President Reagan. It started under President Carter. He just ran out of time.

I was acting USTR for a long time. President Reagan didn't appoint a new USTR until Bill Brock was appointed to the job—the last cabinet appointment. Brock and the Reagan people didn't get along. Brock had been chairman of the Republican National Committee [RNC], so they had to do something for him. He had helped win a big victory for Reagan. You may recall that the Republicans won the Senate...

Q: I remember that.

SMITH: That was Brock's achievement. Then I had to go and persuade Brock to keep me on [as his deputy].

Q: I was going to say, how did you do that? Here you were, without any particular political ties.

SMITH: I had none. Zero.

Q: And with a hungry new administration coming in.

SMITH: Right. How did I do it? Well, Brock called me up to the RNC, up on Capitol Hill, and said that he wanted to see me. He said, “You know, there is a lot of pressure from people to take your job.” So I said, “Well, Senator”—because he liked to be called “Senator,” “I know that. I'm your link between the past and the future. Without blowing my horn too much, I know more about trade than the people you might bring in. If you want to be that vulnerable, you go ahead. But I'd like to have the job. Certainly, if I don't have the job, I'll have to go back to the Foreign Service, and that will mean a pay cut. It'll mean $5,000 a year less. Senator,” I said, “That's a lot of money for a government person.” He laughed and said, “You're right. I need an experienced hand. So you're staying on.”

So we went over to the White House, right after the inauguration of President Reagan, for a cabinet meeting. Brock took along his deputies. President Reagan came in, patted Bill Brock on the back, and said, “Bill, I've got this terrific guy in California who would be an ideal person to go to Geneva as the U. S. Trade Representative. He's a used car dealer, and I've known him for a long time.” Brock said, “Mr. President, I've already got my deputy.” Brock turned to me and said, “Mike, would you please come here?” So he introduced me to the President. It was a fait accompli. That's not the way you normally want to be introduced to the President. It's like saying, “We've aced you, buddy.”

Brock was very good about that. I think that I established a tradition—that is, that there would be a career or quasi-career man as one of the two deputies to the USTR. That was followed when Jules Katz became my successor, Rufus Yerkser became Jules' successor, and so on, so that there would be some historical memory in the agency. That was how

I was kept on during the Reagan administration and served for all eight years, first under Brock and then under [Clayton] Yeutter. There were always attempts to get rid of us by the political people because they wanted to fill the slots. I never held that against them. Never. I'm one of those Foreign Service Officers who happen to think that political appointees are good for us.

Q: It keeps us honest. The problem is when it gets out of hand.

SMITH: It can get out of hand. And it is true that it tends to be Foreign Service Officers who are assigned to remote places like Gambia. But I've worked for both political and non-political Ambassadors, and both barrels have their good and bad apples. So I don't swallow the “party line” on that.

What I was then doing was providing a transition and having to get Brock immediately involved in the automobile negotiations, which he always felt was a hell of a way to start off. Here he was supposed to be the President's man to promote trade liberalization, and the first thing out of the box was to restrain [the import of] Japanese automobiles. During the last half of the Carter years there was no question that they were going to restrain [the import of Japanese automobiles], so I got involved in that and became, if you will, Brock's “guru” [teacher] and Brock's point man on bilateral relations around the world.

So, while I was based in Geneva, I went with Brock on all of his overseas trips. I did all of the bilateral negotiations of any major significance around the world. I became the point man for what became known as the “Geneva Ministerial” conference in 1982, a huge meeting of trade people. I laid the groundwork and was the point man and drafter of what became known as the Uruguay Round. When I was assigned to Geneva, I came back to Washington every month. I was in Geneva 43 months and made 42 trips back to Washington.

When I was in Geneva, Brock called me on the phone and said, “How would you like to come back home and become the senior Washington deputy?” Senator Dole had

struck a deal with Brock. They wanted to have a second, Washington deputy to handle “agricultural” matters. Actually, what they wanted to do was find a job for Dole's chief of staff, Bob Whitehuyser. So Brock brought me back as senior Deputy USTR in March, 1983. In essence, I became responsible for the “external affairs” of the office at the deputy level. Essentially, Bob Whitehuyser became responsible for the “internal affairs” of the agency, particularly with relation to the Hill, because USTR is the only cabinet job which constitutionally has two people to report to: one is the President, because the USTR is a member of the cabinet, and the other is Congress, because Section 8 of Article 1 of the Constitution says that Congress is responsible for trade, a power which is delegated to the Executive Branch. So we had to report to two institutions.

We had “Mr. Inside,” who did the Hill, and “Mr. Outside,” who did the bilateral and multilateral negotiations. That division of responsibility continued on through Brock's tenure as USTR. He then became Secretary of Labor, and Clayton Yeutter came in to replace him.

Clayton Yeutter was my predecessor, twice removed, as Deputy USTR during the Nixon-Ford years. At the time he had just finished being President of Chicago Merc [Chicago Mercantile Exchange]. He was a big Reagan-Bush supporter. He became USTR in 1985. He asked me to stay on, first for one year. Then I stayed on until I voluntarily retired.

Q: Well, you retired in 1988.

SMITH: October 31, 1988.

Q: We've touched on some things as we've talked about other matters. During this period we've talked about automobiles, but there's a lot of “Japan bashing,” you might say. What was our view of Japan?

SMITH: That's where the Department of State and USTR had their bitterest fights. Actually, DOD [the Department of Defense] by and large had the same view as the Department of State.

You have to go back a little bit, but in simple terms Japan's market was not open to U. S. commercial interests. At the same time Japan did play a crucial role, if you will, in the security of the Pacific. There was a great deal of intelligence about what the Japanese were doing to U. S. economic interests. The Department of State chose to disregard those reports. The battles became very, very bitter.

There was a division between two camps. One was known as “The Chrysanthemum Club,” and the other was known as “The Black Ships Society.” The nominal heads of “The Black Ships Society,” if you will, were Clyde Prestowitz, Chalmers Johnson, Pat Chogue, and Jim Fallows, who were really in favor of putting it to the Japanese.

Q: “The Black Ships” refers to Commodore Matthew Perry's black ships which opened Japan [in 1854].

SMITH: “The Chrysanthemum Club” was composed of Mike Mansfield [former Senator and then Ambassador to Japan], who felt that the most important, bilateral relationship was the relationship between the United States and Japan; the Department of State, including Desaix Anderson and Bill Clark; the NSC [National Security Council], including Gaston Sigur and Dick Armitage; and DOD [Department of Defense] people who had a security interest in persuading the Japanese to maintain sea control and handle anti-submarine security for up to 1,000 miles [in a semi-circle East of Tokyo].

A classic point was that we were talking about trying to get something into Japan. “Cap” Weinberger [Casper Weinberger, Secretary of Defense] said at a cabinet meeting, “It is more important for the United States to get night landing rights for our naval carrier pilots

in Japan than it is for us to save the machine tool industry in the United States." That was what we were up against.

The battles were fought on the one hand by the Department of Commerce and USTR against the Department of State, DOD, and NSC. Was there "Jap bashing"? You can be sure that [Malcolm] "Mack" Baldridge [now dead] couldn't stand the Japanese.

Q: He was the...

SMITH: Secretary of Commerce, and arguably the best Secretary of Commerce since Herbert Hoover. He put Commerce back on the map at the expense of the Department of State. He was a grand guy, a true gentleman, and an American patriot, in the best sense of the word. Bill Brock wasn't very pro-Japanese—that's for sure.

But what the battle was about was that Japan had these huge trade surpluses with us on products where we, without subsidies or anything like that, should have been doing much better than we were. Now, I'm not a "Jap basher." I stand in the middle.

There was another view—in addition to "The Chrysanthemum Club" and "The Black Ships Society." "The Chrysanthemum Club" had within it what is known as "The Missionary Society," led by Allan Wallace of the Department of State—this old geezer who was Under Secretary of State for Economic Affairs. He was in his 80's. His view was that if you just talk to the Japanese long enough, they'll come to think and act your way.

I was of the view that Japan had its own economic society, which I called "The Neo-Mercantilist Society." We were wasting an awful lot of time arguing whether we should convert them or not. The Department of State tended to the view that we'll convert them, like missionaries. I used to say, "We'll all be dead before that happens. Secondly, who gives a damn? That's their life. If they want to be neo-mercantilists, let them. Let's not argue over whose society is better. Let's just see if we can get access [to the Japanese market]."

So I became point man in the United States Government for negotiations with Japan. I negotiated every single bilateral agreement with Japan from 1983 to 1988 in every economic area. I'm not a Japanese specialist. I don't speak Japanese—never bothered to learn. I didn't think that it sounded very pretty. However, I was not a “Jap basher.” I respected the Japanese. I used to tell the Department of Commerce, and even Bill Brock, that the Japanese are very clever in what they're doing. However, [I said], we've got to be aware of what we're doing.

We used to have these bitter cabinet meetings about these things. Bitter! Finally, we “converted” some people, including Don Regan, who early on had a “laissez faire” attitude when he was Secretary of the Treasury. He finally came around and said, “We ought to have targets”—shades of the Clinton presidency—”and make these guys import [U. S. goods]. If they don't like it, they can dump it in the harbor at Yokohama.” Feelings ran very high. My job was to negotiate agreements that would, if you will, “please” the hawks and not upset the doves.

I think that I succeeded. Secretary of State George Shultz told me that I was the best negotiator of the decade [of the 1980's]. I used to incur the wrath of the Japanese but I also enjoyed their respect.

We had real battles. The semi-conductor negotiations took a year to complete. Then there were negotiations on tobacco, meat, super computers, and other products, right down the line.

Q: Was there “Jap bashing” in the administration?

SMITH: Ironically, the Reagan administration was the most friendly to the Japanese. Had [Japanese Prime Minister] Nakasone and President Reagan stayed in office a little longer together, a lot of the problems would have been resolved. But the other problem was that the LDP was hopelessly corrupt—and still is.

Q: You're talking about the Japanese Liberal Democratic Party, which...

SMITH: They were taking “bag money” [bribes] like [former Vice President] Spiro Agnew! You couldn't overcome that. And the Japanese Government bureaucracy was inherently against open trade. I'll have to stop. Can we continue this later?

Q: I'll have to put it on the end of the tape. What shall we go over the next time around?

SMITH: I think that what we ought to do is to pick up with Pacific negotiations. The one I would suggest is the beef negotiations. If you want something that Foreign Service Officers or historians would want to look at, it is how a bilateral negotiation on a very difficult issue, which dragged on for more than eight years, was resolved. This is a case study—the single, best negotiation that I probably did.

Q: All right, we'll do that.

Q: Today is December 2, 1993. We've covered your career, but we'd like to get into the specifics, and you suggested the beef negotiations [with the Japanese] as sort of a case study.

SMITH: It's a classic case study because the product involved is clear—meat. Actually, beef.

Q: We're talking about beef.

SMITH: It's indicative of how clumsy it is, in my view, to get bogged down in too much detail and get mired in wasting endless time, when time means nothing to a bureaucrat but hundreds of millions of dollars to an industry. We were oblivious to it—not Michael Smith, but others were.

Let me go back a bit, because this is an historical issue, too. After World War II, when General MacArthur became [in effect] the “American Shogun” [boss] in Japan, that country

had gone through a terrible famine, in 1944-1945. They might have capitulated [to the Allied Powers] for no other reason than that we were starving them to death. You can see that, by the way, in the way that the Japanese attached such importance to rice.

I was reading one of those bombing surveys [Strategic Bombing Survey of Japan] that [John Kenneth] Galbraith had chaired after World War II. I think that it was estimated that the average caloric intake of Japan by the end of World War II was 1,200 calories per capita daily. I think that the minimum rate for sustenance is 2,000 calories daily. So they would have died—and were dying. Indeed, in the winter of 1945-1946—it was a terrible one, terribly cold around the world—Japan almost died. The beef issue goes back to then.

After World War II General MacArthur either acquiesced, agreed, or even took the initiative to be sure that Japan would be self-sustaining agriculturally—as far as it was possible to be. So he set up this ban against rice imports. Curiously, he also set up a ban against meat imports. He wanted to stimulate the rice, chicken, and fish industries, so people didn't change their diet. Secondly, beef is a land intensive commodity, and they [the Japanese] didn't have the land to spare. Thirdly, beef was a luxury at that time. But that was 1946-1947. By the 1960's—and certainly by the 1970's—the situation had vastly changed. That's the first point.

The second point is that beef is a major U. S. export. We export almost $4.0 billion worth of “red meat” a year, around the world. Because Japan is a rich country, it is a very valuable market, potentially for even more [beef].

The third point is that, for the previous 20 years before I left government service in 1988, the U. S. Government had been trying to get Japan to “back off” the quota limits that it maintained against imports of beef. We and the Australians were keenly interested in doing this. When Japan entered GATT in 1963, it was supposed to get rid of [these restrictions]. Japan's entry into GATT marked, if you will, the maturity of the Japanese economy. Every four years the beef agreement [with Japan] would come up for discussion

and renegotiation. And every four years—almost like our presidential elections—the [American] administration would say, “Never again. We're not going to do this again.” Then, at the end of the day, they would cave in to the Japanese, but only at the insistence of the Department of State, or the Department of Defense, or the White House, or whatever it is, because there was a “larger interest” [of the United States involved].

This was very frustrating for us, because there was no need for Japan to have a beef industry, in the sense of keeping [imported] beef out. Because the only beef that they really produced was something called “Kobe beef,” a very high quality [and expensive] meat. It was not meant for mass distribution.

Secondly, Japanese beef prices were anywhere between four and 10 times higher than the “landed” cost of beef that we could ship to Japan, after paying very high duties. The Japanese consumer was just being “ripped off.” We had both “high cuts” and “low cuts,” including McDonald-type Omaha steaks.

For 20 years we had been butting our heads against this wall.

Q: May I ask a question here on this? When you say that it was the Departments of State and Defense [which opposed pressing the Japanese on the beef issue], how did this end up? Would the shot be called before we went into negotiations? As our negotiators were going ahead on this, was there a point where “push came to shove”? Did someone within the Department of State or the Department of Defense say, “You can't do this.”

SMITH: Right. We had one related case—I think I talked about it earlier—with Cap Weinberger, when he said that it was more important for us to get night landing rights for pilots than for us to get some sort of trade concessions. The [Japanese] would appeal to the White House. They were past masters at going to the White House. So the instructions would go out from the President or his chief of staff, “The Japanese Ambassador or the

Prime Minister called me and asked if we could ease off on this. There are big political problems in Japan, and the LDP will either rise or fall on this issue."

This was an issue where the United States was at fault, in the sense that it did not press its rights. If you will, the Japanese became used to this privileged situation where their [beef] industry was not subject to market forces. We were conniving with them by agreeing to what was known as a monopoly. The [Japanese] Livestock Import Promotion Board is a misnomer, because the Livestock Import Promotion Board did everything but promote the import of beef.

The successive [U. S.] administrations—Republican and Democratic—backed off on this issue. And I kept saying, from the day I walked into the USTR, "Hey, you're making a mistake here. We are the two leading economic powers in the world. We ought not to be having this crazy little quota agreement." Meanwhile, we had gotten rid of our textile quota program against [imports of Japanese textiles]. They should be getting rid of these crazy quotas. They have these import bans on silk; rice, which was, of course, world famous; and they had this ban on imported beef. They also had a ban on imports of citrus fruit. Citrus was part of this negotiation, but let's just talk about beef.

In 1983-1984 Bill Brock was USTR and I was negotiating the beef and citrus restraint agreements with Japan. We had a very contentious negotiation. But we agreed to go along with this [the restraint agreement on Japanese imports of beef] once more, in 1984, but for the last time. When this agreement came up for renewal in 1988, it would not be continued. We served the Japanese with notice then. And the U. S. beef industry was willing to support that. They hadn't quite mastered the distribution system in Japan but they were getting there. They knew that Ronald Reagan would probably be elected President the second time, and they were willing to go along. And they had trust in both Bill Brock and me.

Brock left, and Clinton Yeutter came in—an old agriculturalist—and a beef raiser, by the way, with 2,500 acres back in Nebraska. So Yeutter got really exercised about this, because he thought that [these restraints on Japanese beef imports] were long gone. He had been over in the Department of Agriculture during the Nixon administration. Then he'd been Deputy USTR—my predecessor once or twice removed. He thought that these limitations were gone. He was surprised to come back in 1985 to find out that the beef agreement [with Japan] was still there.

So, in USTR we started “educating” the U. S. Government on this issue and why it had to go. Incredible positions would be taken by the Japan desk officer in the Department of State. He would ask, “How can you do this? Kobe beef is part of Japanese culture.” We'd say, “We're not attacking Japanese culture. We're not attacking Kobe beef. We're after the other cuts [of beef].” The desk officer would say, “You'll upset the Japanese beef farmer.” We would say, “What about the American farmer?” The desk officer would say, “Well, we're a big, rich country.” I would say, “Well, we're running a $50 billion trade deficit with Japan, and they're getting to be a rich country, too.” The desk officer would say, “Well, we've got security requirements.” We would say, “What's a security requirement got to do with beef?” The desk officer would say, “If you upset the Japanese farmer, the LDP will lose support, and we won't be able to get Japan to defend the 1,000 mile radius [East of Tokyo] for antisubmarine warfare.” I would say, “Well, then, all their ships will be sunk.” And [this exchange] would go on and on.

Then we had this deal with the Department of State, and Gaston Sigur of the National Security Council would get nervous and...

Q: At that time was Gaston Sigur Assistant Secretary of State for East Asian Affairs?

SMITH: No, he was over at the NSC. He would get all upset with us because we were allegedly attacking Japan.

Well, fortunately, [Secretary of State] George Shultz didn't buy that. Even George Shultz. We had a cabinet meeting about this in about 1986 to discuss our intention to serve notice on the Japanese that it [the beef import restraint agreement] was over. Shultz said that [the agreement] was outrageous. Even Allan Wallace agreed.

Q: Allan Wallace was...

SMITH: Under Secretary of State for Economic Affairs. So we sort of won, if you will, the battle of the Seventh Floor.

Q: That's of the Department of State.

SMITH: The Department of State. Once State's opposition, or reluctance, or whatever you want to call it, caved in, we didn't have any problem with the other agencies. But what became a problem was that after 20 years of going along with these limitations with the Japanese, it took a tremendous effort to make the Japanese believe us. They spent an incredible amount of time—and presumably money—hiring U. S. lobbyists, sending over their members of Parliament, sending over their politicians, sending over their diplomats to “shock” the agencies of the U. S. Government. And the Japanese do this with regularity. The Japanese are never satisfied with hearing “No” from the lead agency [of the U. S. Government]—or “Yes.” They want to find out what every single agency in the United States Government thinks about it.

Q: How do they go about this?

SMITH: They just go about it. Then send in their Ambassador, their DCM, their economic ministers, their Parliamentarians, Diet members, and all that. So much so that the guy who became the leader of “Save the Japanese Meat Quota Program” was a man by the name of Hata. He is now the Deputy Prime Minister and Foreign Minister of Japan! He was the man who made the famous comment to the Congress of the United States that they couldn't open up the Japanese meat market, because Japanese intestines are different

from American intestines. This was akin to the remark that they couldn't let in American skis because Japanese snow is different from American snow or that Japan can't let American construction companies work in Japanese harbors because Japanese mud is different from American mud. And you can go on and on.

The first lesson here was that by our own connivance we let the Japanese get into a situation where they never really believed that the United States would, indeed, say, “Get rid of something.” They felt that this was wrong and illegal.

Once we got the internal battle won, we went through this two year campaign to educate the Japanese, trying to persuade them that we were deadly serious. We told them not to come to us in 1988 and ask for an extension of the meat quota agreement. They didn't believe us. At the beginning of 1988—I think that the meat restraint agreement was to run out at the end of September—back came the Japanese. They sent delegations, plus bombarding our Embassy in Tokyo with people, marches, petitions, and all that sort of thing. They came in with proposals for another extension. Obviously, they'd give us a little more, make it a little more liberal, but for another four years.

We had an incredible meeting with a top level Japanese team from the Foreign Ministry, MITI [Ministry of International Trade and Industry], and MAFF [Ministry of Agriculture, Forests, and Fisheries] at the USTR office. Clinton Yeutter was there, but he let me speak. I said, “I am here to tell you, and Ambassador Yeutter is here to tell you that it's over. You have to understand this. It's over. Now, let's find a way to get it over.” They went on for days and even weeks, trying to tell us, “You know, you don't really mean this. You have to understand.”

To make a long story short, I was then sent to Israel to undertake a TOP SECRET type of negotiation. Then, while I was still there, I got a call from Ambassador Yeutter, “Would you please go to Japan?” The Japanese appeared now to take us seriously. This was June, 1988, three months before the agreement ended and three and three-quarter years

after we'd told them, “Never again.” Yeutter asked me to go to Japan and see if we can negotiate an agreement.

So I flew to Japan from Israel. We were sitting down at the table, and clearly now the Japanese had a problem. The LDP structure is “gerrymandered” in favor of the rural population—farmers, rice, and so forth. “My beef, and so forth. My citrus, and so forth.” How were they going to explain to the beef producer that Japan had caved in to the “Gaijin” [foreigners] and was going to have to get rid of this beef import restraint agreement. And Hata, now the Foreign Minister, who leads what is called “The Group of Eight” in the LDP—this is the agricultural lobby, and he is the senior statesman of the agricultural lobby—says to me, “You know, we need something creative here. We have a problem.” I was tempted to say to him, “Well, you have a problem. I'm not the problem.” But I didn't say this. I said, “Well, let's sit and talk.” Sitting next to Hata was Ozawa, who is now the “eminence grise” [gray eminence] of the reform movement in Japan. At that time he was Deputy Cabinet Secretary and an old friend of mine. Ozawa said to me, “Smith-San, help us out of this.” Again, I was tempted but didn't say, “Well, damn it, you got yourself into this problem.” In a way, he was hitting me at a sore spot. We had gotten them into this problem.

Well, we found a way out for them, in what is considered one of the cleverest negotiating ploys—but we don't have to go into that [in detail]. After that lunch with Hata, Ozawa, and Endo, I said to the combined industry advisers who were there from the [Japanese] beef industry, the USDA [United States Department of Agriculture], the USTR people, and the Department of State people, “Look. It's 2:00 PM. I told Ozawa that I'd be back in touch with him at 5:00 PM. How are we going to fix this?” Everybody looked at me, and I said, “There's one way that we can fix this.”

Let me return to the Uruguay Round for the moment. We had made a proposal that all barriers to trade in agriculture be, what we called, “tariffied” [or stated in terms of specific

tariffs]. In other words, you would convert to a number the effect of a quota, or the effect of a non tariff barrier. Convert it to a number, make that a tariff, and then work to reduce it.

I said that would mean, in the Japanese context, taking the Japanese quota and licensing system on beef and all of the other things they do on beef, come up with a mathematical number, “tariffy” it, and I would be back at 4:00 PM.

I went back to the Okura Hotel and went to sleep for an hour and a half, knowing that it was going to be a long week. This was on Tuesday. I woke up after my nap, walked down the hill to the Embassy, which was just across the street, and went over to the Agricultural Attach#'s office. There was the team. Smoke was coming out of the place because you could smoke in that building, at least then. The head of the industry team said, “Well, we all agree that the figure...

Q: You were saying that you had figured out...

SMITH: The tariff equivalent of protection against American meat in Japan is 376%.

Q: Good God!

SMITH: The Japanese don't have these discussions recorded in any government document. They had reserved a room at the Hotel Otani where the Japanese Government and meat industry representatives could slip in and slip out without being seen. I said [to the U. S. meat industry representatives], “Fine. I'm going off to this meeting [with the Japanese], and I don't want any of you to come with me. What I'm going to propose is that Japan reduce that equivalent figure by 306% and that they start off with a tariff of 70% the next year, 56% the third year, with no restrictions on the amount of beef that could be imported. The only protection that they would have is the tariff.” The U. S. industry representatives were ecstatic. They said, “If you can get that, we'll carry you around on our shoulders.” Because a 70% tariff is something that they could jump over tomorrow. As I

said before, their landed prices on beef were anywhere from four to 10 times cheaper than Japanese meat.

So I went to this meeting with the Japanese at 5:00 PM. There were the same three people: Endo, Ozawa, and Hata, sitting in this room. Ozawa smoked cigars and I had a cigar. We looked at each other. Tea was offered. Finally, Hata broke in and said, “Well, Smith-San, do you have any ideas?” I said, “Yes, I have an idea.” And I laid it out to them. Wow! They were stumped. They said, “Well, we'll get back to you at 7:00 PM.” It turned out to be 8:00 PM. It was a very short meeting. I told them to look at the proposals, laid it straight out, and said, “There can be no deviations on this. Bang, bang, bang, bang.” And it was all accepted.

Mind you, I did all of this without consulting with Brock—I mean, Yeutter—or with anybody else. At 7:00 PM they gave me a call and said, “Will you give us another half hour?” I said, “Sure.” They said, “What about an hour?” I said, “Sure. See you at 8:00 PM.” In the same room. In I went, all by myself, with an interpreter.

They said, “Well, you know. We ran through the same figures. You know what our figure on the tariff effect is? It was 371%.” [Laughter]. It was funny that the two sides had come up with a figure within five percentage points of what the actual tariff effect was on all these non tariff barriers. It meant that the math of both sides was very good—or, at least, equally inaccurate.

So we decided that we would use the figure of 370%. We started negotiating that Tuesday night. Ambassador Yeutter meanwhile was desperate to come over because the Reagan people wanted a victory on this issue. It was June. I had with me these two splendid trade people who are no longer with the government—two women. So we said to the Japanese, “All right, we'll start negotiating with you tonight at 10:00 PM.” They said, “OK, we'll get a room in the Okura Hotel.” So they got this magnificent suite in the Japanese wing—i.e., the “unbugged” wing of the Okura, which most people don't know about. The Okura Hotel

is heavily bugged. If people think that the Japanese don't have an intelligence system, they're wrong.

So we negotiated for three nights. Now, why am I spending so much time on this? Well, I spend a lot of time on this issue because it was a clean negotiation, it was well done, we had a goal in mind, and we reached it totally. The proof of the pudding is that our sales of beef to Japan, since that agreement went into effect, have gone from roughly $100 million to $2.0 billion annually. So it worked. It got rid of a bad practice by the Japanese. It weaned them off the public teat, if you like. It provided them with a face-saving out. At the time we negotiated it with them, the nominal tariff was 45%. The United States in essence said, “We're going to let you raise your tariff by 25 percentage points to 70%.” That provided the “cover”...

Q: I was going to ask what the...

SMITH: That was the cover for the Japanese farmers. We raised the tariff, and that helped. But what we got rid of was the effect of a 300% tariff. It worked like a charm. Secondly, the tariff went down 10% a year, so it looked good in GATT terms. Everybody came out of that negotiation happy. But really, the fundamental lesson in this was that we should never have been in that position in the first place.

We were right, and the Department of State and other agencies who worry about foreign policy should learn that they have to take foreign economic policy into account when they consider foreign policy. You shouldn't compound a wrong, or you don't create a wrong to achieve an objective, if you can possibly avoid it. It was wrong to acquiesce in what the Japanese wanted, for security reasons, for something which was wrong for economic reasons. It caused the United States—well, who knows how many billions of dollars in exports of beef? As I say, our exports of beef to Japan went from $100 million to $2.0 billion in three years. So figure what the market would have been over the last 20 years. To the degree that you can, it pays to compartmentalize issues. There are trade issues

and there are non trade issues of endless variations. You can't isolate all of them. The beef issue should have stood on its own. We let the Japanese link it to other issues, or we feared that they would link it to other issues. Hence, despite their Embassy's being here in Washington, we were doing the linking for them.

This was my last negotiation. Simultaneously, we were doing citrus negotiations, which had the same problem. That was a little messier, because it was more complex. Since this is an oral history project, for negotiators, whether they come from the Department of State or wherever else, if there's any one lesson that we all learned out of the beef negotiation, it was this. Ambassador Mansfield thought it was great. So did Secretary of State Shultz. I got the Carr Award for that.

Q: That's a reference to J. Wilbur Carr [pre World War II Assistant Secretary of State].

SMITH: Really, that was the reason. But who cares about beef? It's not a really essential item. But it was a marvel of negotiating. And that's not because I was involved in it, although I take pride in it. We stood our ground, at long last, we found a way to give them “cover,” we got our objectives, we made it consistent with GATT, and we kept out of it all of the other issues, which others wanted to bring into it. We kept rice out of it, we kept other trade items out of it, we kept other, non trade items out of it. We just talked about beef. We forced the Japanese to face up to it and concentrate their minds on beef. There wasn't anything else.

Today, the Japanese are major beneficiaries of this beef agreement. How? When they found out that they weren't going to have all of this protection, they came to the United States and bought up all of the beef farms. Actually, it's the Japanese economy which has benefited the most.

Q: We're just their grazing grounds.

SMITH: That's all right. It's not quite true that the Japanese own all the beef farms. But a lot of the meat processing firms were bought by Japanese companies. Everybody benefited from the outcome. People have asked me to write a book about the beef agreement, because I've only given you the highlights. But I'm not going to do that. I'm not a “kiss and tell” person. There are a lot of different personalities involved in this, from the Japanese Prime Minister to the President of the United States. There was a whole range of issues. But this negotiation is a lesson.

Q: In the first place, the technical tariff was what?

SMITH: 45%. The real tariff, the tariff “bound” under GATT. The legal tariff was 45% [ad valorem], going into the negotiations. We said, why don't we make the tariff 70%, an increase of 25 percentage points.

Q: But you got all of these other things, which made for the effective tariff. Now, these things must have been encased in law.

SMITH: They were. The Japanese Government agreed, we had a signed agreement. They would get rid of their quotas—there are no quotas. They'd get rid of their import licensing system—there are no licenses, other than for sanitary reasons. Our beef is cleaner than their beef. There are packaging requirements, but those are acceptable.

Q: But you nailed down every one of these items.

SMITH: Absolutely. That's all tied up. So, in three years, their system of quotas was gone, the tariff had gone into place, and they told their farmers that they were very clever negotiators. They got a 25 percentage point increase out of the Americans. The American beef industry was ecstatic.

Q: I notice that you said that there were three [Japanese cabinet ministers], and that you went in to meet them by yourself.

SMITH: Right.

Q: Looking back at this, was this a technique? Is it easier to do this in this way?

SMITH: No, I was doing this on my own responsibility. I didn't want any other agency representative to feel that they would have to call back [to Washington] and get “permission.” USDA is just as bad as the Department of State on this. I said to myself, “I don't want to do that.” Ambassador Yeutter trusted me implicitly. I called him afterwards. He laughed so hard over the phone that you could hear him as if he were next door, though he was back in Washington, D. C. He said, “Well, when can I come over?” I said, “You can't come over yet because we don't have it all bound yet.”

That's another thing that I might say, sort of off the record. A trick for a bureaucrat, which I was, is, “Never present the boss with a fait accompli.” Present the boss with a fait accompli, but only in the way you want it. I left three things undone in the combined beef and citrus agreements, which we puffed up by saying that only Ambassador Yeutter and his Japanese counterpart could settle. However, my own Japanese counterpart and I had agreed that they could only be settled in this way. In other words, the two ministers had to go down this particular path, the way you steer the cows to the fence. But, that's the only way that they could go. They have to get the credit for the agreement. So that—I don't remember who the Japanese Minister of Agriculture was at the time—it's known as the Yeutter-Somebody beef agreement.

Then they flew over a big delegation, with Dick Ling [Director of the Foreign Agricultural Service] and Clayton Yeutter—they had hundreds of people from all over the United States. They were taking pictures. It was July 5. I was up on Long Island, taking a day off. I got this telephone call. I said, “Well, I don't have to be there. Clayton's going to sign.” I was told that I had to be there. I said, “It's eight hours away by road.” I was told, “Be here by 10:00 A. M.” So I got up at 3:00 AM and drove through Long Island to Washington, D. C., to be here for this damned signing ceremony. I stayed absolutely out of it. I put all of the

people who had actually done all of the technical work and the drafting, including my two women who had worked so hard on it, Amie Forster and Ellen Terpstra. I got them right behind the two secretaries and the ministers. So they're in the picture. You don't see me in the picture.

A good bureaucrat—at least a good, professional trade negotiator—arranges it so that his boss gets the credit but doesn't give away things that we'd already fought for and won. Out of a spirit of good will and all that. “Good will” is for the Department of State. It's lousy economics. Clayton Yeutter, because he wanted an agreement, probably would not have forced the Japanese as hard as I did, but I didn't care. I was there to try to get the best deal. I didn't have any other considerations to worry about. Maybe Clayton did.

So when I called Clayton on the Wednesday night, I said, “Boss, we're very close to a deal. Get your ticket ready.” He said, “Do you want me over there right now?” I said, “Get your ticket ready and plan to arrive here in Tokyo on Friday morning,” knowing that there were no planes scheduled to arrive in Tokyo until Friday afternoon. He said, “That's grand. You don't need me there any earlier?” I said, “No, you don't want to have to be bothered about some small, remaining details. We're going through some technical matters.” So I knew that he was going to come in Friday afternoon. Of course, we had the airlines all ready and so forth.

Clayton Yeutter arrived, and we arranged for a large number of press representatives to be on hand. He was hit by a big press delegation at Narita airport. We had suggested that the stories read something like, “Yeutter arrives in last-minute, last-ditch effort to resolve beef and citrus trade issue before the United States is forced to retaliate” and so forth. We got him installed in a suite in the Okura Hotel. I briefed him and said, “We're just downstairs, doing some final things.” Then I brought up to him these three problems and said, “You're going to have to call the [Japanese] minister. I can't resolve them.” Meanwhile, my [Japanese] counterpart was calling his minister and saying, “You're going to have to talk to Yeutter. I can't resolve these things.” So the two of them had

a conversation, made the necessary concessions, and agreement was reached that night. Of course, the press was all over the place. They went to the Japanese Ministry of Agriculture the next day and signed the memorandum of understanding—not the final agreement. Then Yeutter and I went home. Yeutter had the best damned trade agreement he ever negotiated. Ask him and he'll tell you so.

The other side of the story is that you want to be sure not only that your boss gets the credit. You give the boss credit. But the second point is that, for a professional bureaucrat in the Department of State, you've got to establish a relationship with the boss that he trusts you. That means that if he tells you that he believes that all people eight years old are funny, you don't fight him on that. You don't necessarily have to agree with him, but you don't fight him on that. You don't have your own agenda. You are a moon, not a sun, in this kind of situation. But, there have been more poems written about moons than about suns, so it's not a bad thing to be a moon.

The point I'm trying to make here is that the professional bureaucrat—and that's what we in the Foreign Service pride ourselves on being—is working in a system in the United States in which the leader of the department or delegation is not likely to be—or could not be—a professional. He's going to be a politician. If you want to get something done, you don't fight that. You accept it and then you work with it. It's not quite like “Yes, Minister,” the British television series.

Q: You mean, the program carried on PBS [Public Broadcasting System].

SMITH: At the same time their egos have to be satisfied, and you're not supposed to have any, which is fine with me.

So that was the beef agreement—still considered in my USTR days as the best negotiation of the 1980's. It was a very difficult problem, resolved in a very clean way, but

a big lesson for us all. The Japanese have said subsequently that we should never have let them get into that position. Fortunately, we were able to resolve it.

We had many other successes. We had our failures. Some of the agreements have worked and some have not. The beef agreement is one which sticks in the minds of both Clayton and me, as well as in the collective mind of the USTR as the way in which negotiations should go. John Jackson uses it as an example in his course on treaties and bilateral negotiations. He is a professor of law at the University of Michigan. It was interesting.

Q: To end this, could you go over in a little more detail the American style of negotiation. I notice that you had a team of industry experts and others. Isn't this a problem when you have this, because these people tend to have their own agenda, and the press gets on them.

SMITH: No. Actually, one of the canards is that either we Americans are not good negotiators or that we're all overpriced. That's not true, in my experience—and I was at it for 20 years. Our big problem is that we're transparent, if you can call it a problem. Our big hang-up is transparency. All of the countries, all of the major participants in negotiations always had their industry advisers. Sometimes the industry advisers were “disguised” as members of the delegation, and you only found that out afterwards. We don't allow private sector advisers at the negotiating level, except under unusual circumstances and usually then by act of Congress. Otherwise, they are excluded from the actual negotiations.

We have an Advisors Procedures Act, a public law. USTR has over 1,200 “official” advisers from the private sector, as a result of the Trade Act of 1974. Our system is not incoherent. Actually, these private sector advisers take their jobs very seriously. If they are invited to be advisers to a U. S. negotiating team, my experience over the years has been that you get top quality people who know what they're talking about, who are creative, and who recognize that a negotiation is just what it says. You don't get everything.

In comparison with other countries in terms of sheer brilliance, as I said earlier, I found that no diplomats are brighter than the Brazilians. In terms of preparedness, in terms of data at hand, the United States is always the best prepared, across the board. Surprisingly, the worst prepared are often the Europeans. They are terrible negotiators. They are ideologues. They have no creativity. They make everything a political or cultural issue or something like that. They have very little give and take. I find that surprising. They're arrogant.

The Japanese have a huge amount of material on hand. Their big problem is that they can't go to the bathroom without asking Tokyo. So they weren't good, across the table, at creativity.The good thing about U.S. teams is that, by and large, the negotiators are given a lot of flexibility to negotiate across the table. So I tip my hat to the U. S. negotiators. I find that the system works, in the sense of the negotiator having the freedom to do what he wants. He may be crucified when he goes back, but he has the authority.

On some things, like disarmament for example, everything has to be checked very carefully. But there you're talking about bombs. But the industry help and support, normally the factual preparation, the positions—I find [the U.S. delegations] unparalleled in the world. In the Tokyo Round, which is appreciated now as we go through the Uruguay Round, the saying in Geneva was, the problem about negotiating with the United States is that they would send divisions onto the field. They would say, we would have these little battalions, and the U. S. would just bring over another division. The next division was just as good as the first division.

Actually, in real terms, the trade, international commerce type, and international economic bureaucracy in Washington is fairly small. It may number 2,000 people. That's probably about 20 times what most countries have. Only Japan and the European Community have a team of advisers generally equal to ours. The fact is that the Japanese are not very good at it.

Q: What about the “other considerations” problem in our business? Does being a world power trip up the U. S. all the time? Is this a major difficulty?

SMITH: It's a question of whether you want to use that as an excuse, “not to make waves” or whether you really mean it. The problem, as you know, the problem which we are both familiar with...

Q: In the Department of State.

SMITH: Is that the Department of State is known as the “Department of Clientitis.” That's a fault of the Department, and it can't escape it. There are legitimate, national security interests. There were times, when I was a trade negotiator, I either backed off because I knew I should back off—or I was told to back off, for national security reasons. Some of those cases are classified, and I can't go into that. But in most cases, when you had a problem with the Department of State, it was because the Ambassador or the Economic Minister or the Assistant Secretary or the desk officer had an acute case of “clientitis” and didn't want to “make waves.”

In my own view, that, in turn, is because we don't train our Foreign Service people right. First of all, most Foreign Service Officers have never “dirtied their hands.” They've never worked in a factory and they've never worked in the private sector. Now, I've been out of the Service for five years and I gather that the average age of entrance of Foreign Service Officers is higher than it used to be, so maybe that's changed a bit. However, during my period of service—and I dare say yours...

Q: Absolutely.

SMITH: You know, people who worked in Detroit were as alien as people who worked in Madagascar to Foreign Service Officers. There was an “elitism” which was very unhealthy. Secondly, most Foreign Service Officers do not understand the Congress of the United States. They view it as an enemy, and when it comes to trade matters, for example, they're

in for a fight, because Congress has the constitutional authority and preeminence in trade. Thirdly—and lots has been written on this—in the Foreign Service economic, commercial, and trade types are at the bottom of the heap, only slightly above consular officers. There are a lot of good and bad reasons for that. We don't have to go into that.

The fact is that, when a delegation came out from the United States to “go after” a foreign country on a particular trade problem, by and large the “control” entity—whether the Ambassador, the Embassy, or the officer—was generally not sympathetic and not helpful to its own delegation. They would try to give excuses, when, actually, we knew. We were pretty well briefed before going out to these countries and we sort of knew what these issues were. These had already been discussed in interagency meetings and all that sort of thing.

If I had some recommendations to make, I would make it mandatory that every Foreign Service Officer serve a year on the Hill. I'd make that mandatory. I don't care what field he is in. Make it mandatory—and at a fairly early stage—as a “gopher.” This is not quite like a Congressional page. It is so that they understand the legislative process. That's the first point. The second thing is, certainly every economic officer—and I would say that, if I had the money available, I would extend it to every Foreign Service Officer—should go on detail out in a private sector job. It shouldn't hurt his promotion chances. You can work out the payment questions and all that. He should understand what the economic system is that he's defending or advocating. Most of them don't know what they're talking about. Most Foreign Service Officers have never had to meet a budget, balance a petty cash book, hire or fire, or anything like that. It's a crazy system. Serving as a Foreign Service Officer is not the same thing as being a lawyer. You can read the law and become a good lawyer, although you can't be a good trial lawyer without going into a trial.

A Foreign Service Officer is defending a system which he has to know something about. The question is not whether he knows a foreign country well. He's supposed to do that as far as his living is concerned. He's supposed to know what the economic system is in

France or wherever he is. He's supposed to know what our system is by comparison. So when a businessman from the United States goes overseas and asks what he should look for, the Foreign Service Officer can say, “Well, as you know, in the United States we do it this way, and this is how they do it here.” So the businessman relates to the differences.

Quite frankly, we need a strong, economic team in the Department of State. George Shultz was a strong Secretary of State, viewed from an economist's point of view. At least he was not averse to economics. Henry Kissinger was legendary for not knowing what the hell he was talking about when it came to economics.

Q: I have tried to see that everything is put into political balance. In these interviews and in books by people who write about Kissinger, I hear and read that he used to get away off base on things and saw everything strictly in East-West terms. He would sacrifice anything to preserve that.

SMITH: Exactly. I'm not criticizing that view entirely. However, in today's terms, certainly, we're not talking about an East-West “all or nothing.” There are at least some things which are of equal, if not of greater, importance than political issues.

The Department of State today should have nothing less than a Nobel laureate type Under Secretary of State for Economic Affairs. I think we would get him.

Q: You've mentioned that you have your politician as the person who finally makes the decision. There is a tendency in the United States to be “magnanimous.” We're the big power, and others keep talking about “poor, little us.” Every country can make that point. I would think that when you and your cohorts charge up the hill and are ready to plant the flag on the top, you should be able to say, “All right, here it is.” I'm not talking about the beef industry or any other, specific issue. The politician comes up..

SMITH: And wants to be a nice guy.

Q: And wants to be a nice guy. Is this a problem?

SMITH: It is. Surprisingly, a bigger problem is the businessperson. He goes overseas and begins being a great diplomat. He'll be preaching fire and brimstone at home. We get all ginned up and we go over there, ready to do battle for him. The foreigners have a reception for him, or something like that, and it's all sweetness and light, mutual understanding, we want to deepen our relationships, and so forth. Nonsense! Absolute nonsense! It's one thing to have political relationships, but in business, you don't do that. You don't gain any respect for that, and the foreigners know these businessmen. The American businessman goes overseas, thinking that his countrymen are perceived there as boobs. Therefore, I don't want to go over there and show them how sophisticated I am. He thinks that he'll earn some brownie points and so gives away the key to his position.

I used to say to the businessmen, “Let the Department of State give things away. That's what they're paid to do. Don't you do it.”

Q: Would you acknowledge and give your delegation a kind of “pep talk” and explain this?

SMITH: Absolutely. We would have a joint industry-government session every time before we went into a meeting. Particularly at the start of such a session, I would start off by giving them the general tone I wanted to achieve, summing up what we had all agreed on. I would always say to my businessmen, “We're going to get you introduced to your counterparts.” Depending on the subject matter, sometimes they already knew their counterparts. Then they would go and dine with them. I would say, “Now, for God's sake, don't fail to stand your ground, because all you're doing is undercutting us, if you give it away. If you want to give it away, let me give it away, and then the whole United States will get the credit for it. But don't you give it away.”

Sometimes you really have to haul them into line. One time we had a negotiation in which the Japanese came back and said, “Well, your own industry doesn't think that.” I said, “I know that, but this is the way we think now.” That's the party line.

There were documented cases in the 1970's and 1980's of Foreign Service Officers conveying to foreign governments our position before we went over there. Two of them were reprimanded and two of them were kicked out of the Foreign Service for doing that. They thought that, by doing that, they would help the negotiating process along. They said, “This is what our bottom line is.” So we stopped sending instructions by telegram after that. We had Circular 175 authority [to negotiate] but we carried the instructions with us, if there were any instructions. In the negotiations that I entered into I never once carried instructions with me. Not once. I was not told what my bottom line or my middle line or my top line was.

Negotiations in the United States have evolved. In the 1960's and 1970's we were told that we could go to this stage and that, upon approval from Washington, we may go to the next stage, and so forth. Those negotiating instructions would all have been worked out beforehand. We don't do that very much any more. I guess they do on disarmament negotiations, but they don't do it on economic matters any more.

There was a tendency of guys going out and being “goody two shoes”—both the professional diplomats, politicians, and business people. When the politicians got over there and were heads of delegation, they weren't going to do that. It was interesting for a bureaucrat [like myself] to tell a politician that at a certain point in the negotiation only he and his counterpart [as the other head of delegation] could be in the room. And they had to sit down and work it out. Surprisingly, a lot of these politicians would just quiver. They would say, “My God. You mean you're not going to be there?” I would say that there would be times when, for reasons of “face,” there couldn't be anybody else there. They were actually scared. I remember one head of delegation—I won't mention his name. Every night, as I'd see him off to bed, he'd say, “Is it tomorrow?” What you did is that you

arranged it with your counterpart. It was a largely scripted scenario. I think I mentioned this earlier. There would be many times when I didn't want to say something to my counterpart across the table. I'd get one of my deputies to go to his counterpart and say, “Look, Smith's got this idea. What does your boss think?” If it was a non-flyer with the boss, it would come back and up to me—and there was never any “face” lost.

Q: I've looked at my own methods and I think that many people operate that way. An idea will come to you. At first I would say “No,” but then I would think about it and say, “Why not?” You don't always want to give people time to mull things over.

SMITH: Well, Americans have a quality which, I think, endears them to the hearts of the foreigners. It is a weakness, and sometimes we are “milked” for it. We are willing to “wheel and deal” at the table. We're poker players, Western gamblers. We say, “Well, you don't like this. What about this?” Now, some of that is too fast for foreigners. Some of them think that it's a sign of weakness. They think, “What the hell, if they've got this position and they're willing to go to that, then we'll go to that.”

The biggest fear that I always had with my political masters was that they did not know how to say, “No,” and leave. I used to walk out on negotiations. I was known as a “walker.” I wouldn't say never, but very seldom did I walk out for show. I walked out because it was serious. I walked out on Nakota once. I said, “Nakota, this is the most abject position I've ever heard from any sovereign government.” I was really hitting at the “face” question. I meant to. It was an outrageous position. I just walked out at the Department of State. He said, “You can't do that.” I said, “The hell I can't. I'm leaving because you're not authorized to talk.” A Department of State guy came up to me and said, “You had to shock him.”

Americans think that, if you fail, you fail. Failure to reach agreement is a failure. That is not true. A bad agreement is worse than no agreement. That was Bob Strauss' absolute maxim. You can talk nicely or you can walk out and say, “Well, we haven't reached agreement.” I remember once, during my early days as a negotiator, Strauss said to

me, “Pull out the airplane ticket.” That works sometimes. We were negotiating with the Japanese on a major textile agreement. The negotiation was taking place at the Ministry of Foreign Affairs. The Japanese were being just awful. They wouldn't move on anything. So I just reached in my pocket, took out my airline ticket while [my opposite number] was talking, which is rude in the first place. I looked at the ticket and said, “Hiroshi, I'm looking at my ticket. I'm not trying to be rude, but I'm going to try to find the earliest flight out of this place. I'm leaving.” There was consternation. He said, “Oh, let's take a break.” So they wouldn't think that I was bluffing, I went to the telephone, which the Ministry had and which was tapped, called the Embassy and said, “Please get me on the next flight out to Washington.” I didn't care when I got back. I could go through Honolulu or San Francisco. I didn't care. The coffee break went on and on. After three-quarters of an hour, Hiroshi came to me and said, “Let's have a private talk.” And the logjam was broken. Those are theatrics which are used, but there may come a time when you have to say, “Look, I'm not going to waste my time or my government's time on this.” Sometimes they may need that to push the opposite side within the government or within the industry. So you may need to do this, sometimes.

Well, what else are we going to talk about. Have we exhausted our subject?

Q: Well, we obviously have, and why don't we stop at this point. However, you'll be getting a transcript of this, if you want to correct it. I'll send you one, anyway.

End of interview